

Nelson Mullins



November 18, 2014

Via Electronic Mail & Certified U.S. Postal Mail

The Honorable Joseph Foster
Office of the Attorney General of New Hampshire
Attn: Security Breach Notification
33 Capitol Street
Concord, NH 03301


Re: Data Breach Notification

Dear Attorney General Foster:

We write to inform you of a recent data security incident on behalf of our client, MemberClicks, Inc., (“MemberClicks”), d/b/a Moolah Payments (“Moolah”). On October 24, 2014, an employee of Moolah was the victim of an automobile break-in and the theft of her company-issued laptop. Upon learning of the incident on October 27, 2014, Moolah took immediate steps to investigate the information that may have been accessed and the extent of any possible compromise of consumer information. Contained on the computer and as attachments to emails are personal information of individuals in the form of customer applications for merchant account services. Moolah has reason to believe that the information may include the individual’s name, address, date of birth and social security number.

Moolah has determined that the total breach of security described above is limited to less than 250 individuals, of which include 2 residents in your state. Our client will provide written notification using a specialized firm, Kroll Advisory Solutions, on November 20 by U.S. first class mail to all affected residents to the last address our client has on record, and a sample of this notification letter is enclosed.

The services from Kroll will also include a toll-free number for recipients to call with questions. Additionally, Moolah, through Kroll, will be providing the affected individuals with 1-year of free credit monitoring services.

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Please do not hesitate to contact me at [REDACTED] if you have any questions or concerns.

Very truly yours,



Ward F. Hight

[REDACTED]

DFK:dcl

Enclosure: Sample Consumer Notification Letter

CC: Brandon Wycherley, Executive Vice President, MemberClicks, Inc. (w/ encl.) (via electronic mail)



<<MemberFirstName>> <<MemberLastName>> <<NameSuffix>>
<<Address1>>
<<Address2>>
<<City>>, <<State>> <<Zip Code>>

<<Date>> (Format: Month Day, Year)

Dear <<MemberFirstName>> <<MemberLastName>> <<NameSuffix>>,

Moolah Payments, ("Moolah" or "us" or "we"), provides merchant account services. You are receiving this notification because at some point in the past, you completed an application with Moolah for a new merchant account, which you may or may not have engaged to provide you merchant (credit card processing) services. We have recently discovered that your personal information, including your first and last name, address, date of birth and Social Security number may have been compromised. This letter will explain how this compromise occurred, how you could potentially be affected, and what specific steps you may take in order to protect yourself from certain risks regarding any potential misuse of this information.

What Happened?

On October 24, 2014, an employee of Moolah was the victim of an automobile break-in and the theft of a company-issued laptop. This criminal act has been reported to law enforcement authorities. Upon learning of the incident on October 27, 2014, Moolah took immediate steps to investigate the information that may have been accessed and the extent of any possible compromise of consumer information. Contained on the computer and as attachments to email is personal information of individuals in the form of scanned customer applications. The only individuals affected are those customers and potential customers whose application had been scanned by the employee and/or emailed from/to the applicant. No other customers of ours were impacted by this event.

We are devoting all necessary resources to our ongoing efforts to enhance our information security policies and procedures in light of this incident to minimize the risk of such incidents in the future. At this time we do not have any reason to believe your personal information was specifically targeted as a result of this incident and believe this to be no more than petty theft to obtain only the physical laptop as opposed to the data contained on the laptop. Despite this assumption, we are notifying you so that you can take steps to help protect your information from unauthorized use, such as the steps detailed in the enclosed reference guide.

We urge you to be vigilant about monitoring unauthorized account activity and to alert your bank and/or account issuers who may be able to impose additional security measures. We are also working with Kroll to provide you with services at no cost to you to help you safeguard your identity, including consultation and restoration services in the event of a potential identity theft.

What Are We Doing To Protect You?

To help relieve concerns and restore confidence following this incident, we have secured the services of Kroll to provide identity theft protection at no cost to you for one (1) year. Kroll is a global leader in risk mitigation and response, and their team has extensive experience when it comes to helping people who have sustained an unintentional exposure of confidential data.

Your identity theft protection services include **Credit Monitoring, Web Watcher, Public Persona, Quick Cash Scan, \$1 Million Identity Theft Insurance** and **Identity Theft Consultation and Restoration**. Please note that in order to activate your services you will need to follow the instructions in the section titled "How to Take Advantage of Your Identity Theft Protection Services" below. Additional information describing your services is included with this letter.

What Should You Do If You Have Any Questions Or Feel You Have An Identity Theft Issue?

Call **1-866-775-4209**, 8 a.m. to 5 p.m. (Central Time), Monday through Friday. Kroll's licensed investigators are standing by to answer your questions or help you with concerns you may have. *Please have your membership number ready.*

We sincerely apologize for any inconvenience this incident may cause you.

Sincerely,

Moolah Payments

How to Take Advantage of Your Identity Theft Protection Services

Visit krollbreach.idMonitoringService.com and follow the online instructions to take advantage of your identity theft protection services.

You can view your services at any time by logging onto Kroll's identity protection website. When you enroll, be prepared to provide your membership number.

krollbreach.idMonitoringService.com is compatible with the current version or one version earlier of Internet Explorer, Chrome, Firefox or Safari.

Membership Number: <<Member ID>>

Help is only a phone call away.

If you have a question, need assistance, or feel you may be a victim of identity theft, Call **1-866-775-4209**, 8 a.m. to 5 p.m. (Central Time), Monday through Friday, and ask to speak with an investigator.

Take advantage of this no-cost opportunity and let the experts at Kroll help you assess your situation and safeguard your identity.

To receive your credit services by mail instead of online, please call 1-844-263-8605.

Reference Guide

To protect against possible identity theft or other financial loss, we encourage you to remain vigilant, to review your account statements, to monitor your credit reports and to consider these additional steps:

Security Freeze. Some state laws allow you to place a security freeze on your credit reports. This would prohibit a credit reporting agency from releasing any information from your credit report without your written permission. You should be aware, however, that placing a security freeze on your credit report may delay, interfere with, or prevent the timely approval of any requests you make for new loans, credit, mortgages, employment, housing or other services. The specific costs and procedures for placing a security freeze vary by state law, but this reference guide provides general information. You can find additional information at the websites of any of the three credit reporting agencies listed below.

If you believe that you have been a victim of identity theft and you provide the credit reporting agency with a valid police report, it will not charge you to place, lift or remove a security freeze on your credit reports. In all other cases, a credit reporting agency may charge you up to \$5.00 (and in some cases, up to \$20.00) each time you place, temporarily lift, or permanently remove a security freeze.

Requirements vary by state, but generally to place a security freeze on your credit report, you must send a written request to each of the three credit reporting agencies noted below, which must include the following information: (1) Full name (including middle initial as well as Jr., Sr., II, III, etc.); (2) Social Security Number; (3) Date of birth; (4) Addresses for the prior five years; (5) Proof of current address; (6) A legible copy of a government issued identification card; (7) A copy of any relevant police report, investigative report, or complaint to a law enforcement agency concerning identity theft and (8) If you are not a victim of identity theft, include payment by check, money order, or credit card (Visa, MasterCard, American Express or Discover only). Do not send cash though the mail.

Equifax Security Freeze
P.O. Box 105788
Atlanta, Georgia 30348
877-478-7625
www.equifax.com

Experian Security Freeze
P.O. Box 9554
Allen, Texas 75013
888-397-3742
www.experian.com

TransUnion Fraud Victim Assistance Division
P.O. Box 6790
Fullerton, California 92834-6790
800-680-7289
www.transunion.com

Free Credit Reports. To order a free copy of your credit report, visit www.annualcreditreport.com, call toll-free at (877) 322-8228, or complete the Annual Credit Report Request Form on the U.S. Federal Trade Commission's ("FTC") website at www.ftc.gov and mail it to Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348-5281. The three national credit bureaus provide free annual credit reports only through the website, toll-free number or request form.

When you receive your credit report, review it carefully. Look for accounts you did not open. Look in the "inquiries" section for names of creditors from whom you haven't requested credit. Some companies bill under names other than their store or commercial names. The credit bureau will be able to tell you when that is the case. Look in the "personal information" section for any inaccuracies in your information (such as home address and Social Security number). If you see anything you do not understand, call the credit bureau at the telephone number on the report. Errors in this information may be a warning sign of possible identity theft. You should notify the credit bureaus of any inaccuracies in your report, whether due to error or fraud, as soon as possible so the information can be investigated and, if found to be in error, corrected. If there are accounts or charges you did not authorize, immediately notify the appropriate credit bureau by telephone and in writing.

Fraud Alerts. To protect yourself from possible identity theft, consider placing a fraud alert on your credit file. A fraud alert alerts you of an attempt by an unauthorized person to open a new credit account in your name. When a merchant checks the credit history of someone applying for credit, the merchant gets a notice that the applicant may be the victim of identity theft. The alert notifies the merchant to take steps to verify the identity of the applicant. You can place a free fraud alert on your credit report by calling any one of the toll-free fraud numbers provided below. You will reach an automated telephone system that allows you to flag your file with a fraud alert at all three credit bureaus. You can also place a fraud alert on your credit report online at the websites listed below for Equifax and Experian and via email for TransUnion at fvad@transunion.com.

Equifax
P.O. Box 105069
Atlanta, Georgia 30348-5069
800-525-6285
www.fraudalerts.equifax.com

Experian
P.O. Box 1017
Allen, Texas 75013
888-397-3742
www.experian.com

TransUnion Fraud Victim Assistance Division
P.O. Box 6790
Fullerton, California 92834-6790
800-680-7289
www.transunion.com

Police Report. If you find suspicious activity on your credit reports or account statements, or have reason to believe that your personal information is being misused, contact your local law enforcement authorities immediately and file a police report. You have the right to request a copy of the police report and should retain it for further use, as many creditors want the information it contains to absolve you of potential fraudulent debts.

Consulting the FTC. In addition to your state Attorney General, you can contact the FTC to learn more about how to protect yourself from identity theft:

Federal Trade Commission
Consumer Response Center
600 Pennsylvania Avenue, NW
Washington, DC 20580
1-877-IDTHEFT (438-4338)
www.ftc.gov/idtheft/

Take Advantage of Your Identity Theft Protection Services

You've been provided with access to services from Kroll, a global leader in risk mitigation. Over the past 14 years, Kroll has provided data breach response services for cases impacting more than 100 million individuals including personal consultation to more than 180,000 consumers and worked some 8,000 confirmed identity theft cases. When you need assistance, rest assured that your services are backed by an expert team who can answer any question you may have.

The following services are included in your **Essential Monitoring** package:



Kroll employs a team of experienced licensed investigators to provide you with expert, one-on-one assistance:

Consultation: You have unlimited access to consultation with a dedicated licensed investigator at Kroll. Support includes best practice tips to assist in ongoing protection, explaining your rights and protections under the law, assistance with fraud alerts, and interpreting how personal information is accessed and used, including investigating suspicious activity that could be tied to an identity theft event.

Restoration: Kroll's restoration services are the most comprehensive of any provider. Should you become a victim of identity theft, a dedicated licensed investigator can work on your behalf to resolve related issues. The investigator does more than shoulder the bulk of the recovery; they can dig deep to uncover all aspects of the theft, and then work with creditors, collection agencies, utilities, government entities, and more ... to resolve it.



Credit Monitoring through TransUnion: Credit services can be a key tool in detecting early warning signs of identity theft. You'll receive alerts when there are changes to your credit data—for instance, when a new line of credit is applied for in your name. If you do not recognize the activity, you'll have the option to call a Kroll investigator, who can help you determine if it's an indicator of identity theft. You'll also receive "no activity" notices if there have been no changes to your data.



Web Watcher: Web Watcher helps to detect if your personal information is being bought and sold online. This program monitors hacker chat rooms, forums and other websites where criminals are known to trade stolen information. Thousands of sites are monitored, looking for matches to your personal information, such as Social Security, medical ID, and financial account numbers. If your information is found, you will be promptly alerted and provided with instructions to contact your investigator. Monitoring starts as soon as you enroll and select the information to search.

Your identity theft protection services are continued on back ...

How to Take Advantage of Your Identity Theft Protection Services

Visit krollbreach.idMonitoringService.com and follow the online instructions to take advantage of your identity theft protection services.

You can view your services at any time by logging onto Kroll's identity protection website. When you enroll, be prepared to provide the membership number included with the accompanying letter.

Help is only a phone call away.

If you have a question, need assistance, or feel you may be a victim of identity theft, call Kroll at the toll-free number provided in the accompanying letter, and ask to speak with an investigator.

Take advantage of this no-cost opportunity and let the experts at Kroll help you assess your situation and safeguard your identity.

krollbreach.idMonitoringService.com is compatible with the current version or one version earlier of Internet Explorer, Chrome, Firefox or Safari.



Public Persona: Public Persona monitors public record databases for names, aliases and addresses that are associated with your Social Security number. Records include, among other data sources, property or deed registration, internet job site providers, state occupational license data, and court proceedings. If information is found, an alert email is sent. If you see a name, address or alias that is not associated with you, contact Kroll's investigators for more information. Once you have enrolled, you can view the services at any time by logging onto Kroll's identity protection website.



Quick Cash Scan: Quick Cash Scan monitors thousands of short-term and cash-advance loan sources, such as rent-to-own or payday lenders. These are sometimes referred to as "non-credit" loans because the application process does not always include a credit check, making it easier to use stolen or fraudulent identity information. You'll receive an alert when a loan is reported, and you'll have the option to call a Kroll investigator for more information.



\$1 Million Identity Theft Insurance: Reimburses you for out-of-pocket expenses totaling up to \$1 million in legal costs for any one stolen identity event. Additional benefits include a \$0 deductible and coverage for fees associated with replacing documents, traveling expenses, loss of income, child care and elderly care and fraudulent withdrawals. All coverage is subject to the conditions and exclusions in the policy.

State Notification Requirements

All States.

You may obtain a copy of your credit report or request information on how to place a fraud alert or security freeze by contacting any of the national credit bureaus below. It is recommended that you remain vigilant for incidents of fraud and identity theft by reviewing credit card account statements and monitoring your credit report for unauthorized activity.

Equifax P.O. Box 740241 Atlanta, GA 30374 1-800-685-1111 www.equifax.com	Experian P.O. Box 2104 Allen, TX 75013 1-888-397-3742 www.experian.com	TransUnion P.O. Box 2000 Chester, PA 19022 1-800-888-4213 www.transunion.com
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For residents of Massachusetts.

It is required by state law that you are informed of your right to obtain a police report if you are a victim of identity theft.

For residents of Massachusetts and West Virginia.

You also have the right to place a security freeze on your credit report by contacting any of the credit bureaus listed at above. A security freeze is intended to prevent credit, loans and services from being approved in your name without your consent.

To place a security freeze on your credit report, you may be able to use an online process, an automated telephone line or a written request. The following information must be included when requesting a security freeze (note that if you are requesting a credit report for your spouse, this information must be provided for him/her as well): (1) full name, with middle initial and any suffixes; (2) Social Security number; (3) date of birth; (4) current address and any previous addresses for the past five years; and (5) any applicable incident report or complaint with a law enforcement agency or the Registry of Motor Vehicles. The request must also include a copy of a government-issued identification card and a copy of a recent utility bill or bank or insurance statement. It is essential that each copy be legible, display your name and current mailing address,

and the date of issue. The consumer reporting agency may charge a fee of up to \$5.00 to place a freeze or lift or remove a freeze and free if you are a victim of identity theft or the spouse of a victim of identity theft, and you have submitted a valid police report relating to the identity theft incident to the consumer reporting agency.

For residents of Iowa, Maryland, Michigan, Missouri, North Carolina, Oregon, and West Virginia.

It is required by state laws to inform you that you may obtain a copy of your credit report, free of charge, whether or not you suspect any unauthorized activity on your account.

For residents of Iowa.

State law advises you to report any suspected identity theft to law enforcement or to the Attorney General.

For residents of Oregon.

State laws advise you to report any suspected identity theft to law enforcement, as well as the Federal Trade Commission.

For residents of Illinois, Maryland and North Carolina.

You can obtain information from the Federal Trade Commission, and for residents of Maryland and North Carolina, from your respective state Office of the Attorney General, about steps you can take toward preventing identity theft.

Federal Trade Commission
Consumer Response Center
600 Pennsylvania Avenue, NW
Washington, DC 20580
1-877-IDTHEFT (438-4338)
www.ftc.gov/bcp/edu/microsites/idtheft/

Maryland Office of
the Attorney General
Consumer Protection Division
200 St. Paul Place
Baltimore, MD 21202
1-888-743-0023
www.oag.state.md.us

North Carolina Office of
the Attorney General
Consumer Protection Division
9001 Mail Service Center
Raleigh, NC 27699-9001
1-877-566-7226
www.ncdoj.com