

From: Kim, Sue <Sue.Kim@wilsonelser.com>

Sent: Friday, March 5, 2021 2:31 PM

To: DOJ: Consumer Protection Bureau <DOJ-CPB@doj.nh.gov>

Cc: Reed, Nanette < Nanette. Reed@wilsonelser.com>

Subject: Stanley Clark School - Blackbaud Ransomware Attack Notification

EXTERNAL: Do not open attachments or click on links unless you recognize and trust the sender.

Dear Attorney General of the State of New Hampshire,

This email is to notify you of a cyber breach that occurred as a result of a ransomware attack on our outside vendor, Blackbaud, which affected three (3) residents of New Hampshire. Blackbaud reported the initial attack occurred from February 20, 2020 to May 20, 2020, and Blackbaud paid the ransom demanded by the cybercriminals. The cyber criminals assured that any exfiltrated files were destroyed, and Blackbaud's system was fully restored after ransom payment. Through vigilant monitoring post-incident, Blackbaud reports that there has been no evidence of improper use of any of the data files that may have been exposed. Blackbaud has already implemented changes to their data security protocols to prevent a similar incident from occurring again. Stanley Clark had already sent statutory notification letters to all impacted persons with exposed PII in September.

As part of their continuing investigation, Blackbaud discovered when it merged data from previous versions of some of their solutions into current versions, there were hidden tables containing the older data (which included unencrypted Personal Information) merged into the new program which were not visible to the end user. Blackbaud notified the affected organizations, including Stanley Clark, on September 29, 2020.

Stanley Clark followed Blackbaud's template and mailed notification letters to those impacted in October 2020, providing credit monitoring services as company code was provided by Blackbaud.

When Stanley Clark received returned mail, it contacted counsel in November 2020 to obtain advice on how to handle the returned mail. Upon cyber counsel's review of the notification letters, it was discovered the letters were missing pertinent information as required by state statutes. It was also discovered that no regulatory reporting was completed. Stanley Clark took steps to rectify its mistakes, which required obtaining additional information on contents of the hidden tables with exposed PII and counsel had amended notices issued with the statutory requirements on February 26, 2021. The unfortunate delay was compounded by the closing of the school for three weeks over the holidays and the inability to obtain necessary information and required approvals. Counsel also was able to purchase new valid addresses for any returned mail and issued those notices as well.

Notwithstanding that there was some deficiencies in the contents of original notices issued, Stanley Clark provided notice to all impacted individuals, provided the ability to register for credit monitoring, and has now corrected all deficiencies with amended notices. The personal information that was exposed included name, phone number, address, date of birth, and Social Security or personal Tax Identification number. All notifications from this second wave notice were mailed on or before February 26, 2021 and the individuals were provided with 24 months of credit monitoring services for the initial notification letter issued in October 2020 as well as the new letters issued based on returned mail.

A copy of the initial notification letter as well as the amended letter issued to the resident of your state is included.

Please do not hesitate to contact us with any questions.

Thank you,

Sue Kim
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For further information about Wilson, Elser, Moskowitz, Edelman & Dicker LLP, please see our website at $\underline{www.wilsonelser.com}$ or refer to any of our offices. Thank you.



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

<<first_name>> <<middle_name>> <<last_name>> <<suffix>>
<<address_1>>
<<address_2>>
<<city>>, <<state_province>> <<postal_code>>
<<country >>

To enroll please visit:
 https://www.cyberscouthq.com/
Enrollment code:

Re: Updated Notice of Data Breach

Dear Friend of Stanley Clark School,

This is our second attempt to notify you of a cyber incident suffered by one of our third-party vendors, Blackbaud. The first letter sent in late October was returned as undeliverable. We have since taken steps to secure a valid address and are now re-sending our notice with information regarding the breach and ways to safeguard your personal information, including access to free credit monitoring and fraud assistance services.

<u>What Happened?</u> Blackbaud is an engagement and fundraising software service provider, providing multiple solutions to non-profit companies, schools and institutions across United States. Blackbaud was the subject of a ransomware attack and the cyber-criminal may have had access to specific personal information identified below between February, 2020 and May 20, 2020.

Once Blackbaud detected the intrusion, it was able to halt further system access. The cyber-criminal only gained access to certain back-up files in specific Blackbaud solutions. Blackbaud, in conjunction with the FBI, investigated the incident and ultimately paid a ransom to the cyber-criminal under the assurance that any exfiltrated files would be destroyed, and their system was fully restored after ransom payment. Through vigilant monitoring post-incident, Blackbaud reports that there has been no evidence of improper use of any of the data files that may have been exposed. Blackbaud has already implemented changes to their data security protocols to prevent a similar incident from occurring again.

As part of their continuing investigation, Blackbaud discovered when it merged data from previous versions of some of their solutions into current versions, there were hidden tables containing the older data (which included unencrypted Personal Information) merged into the new program which were not visible. We were notified of this new exposure on September 29, 2020 and took action to verify and determine scope, which required the cooperation of Blackbaud in producing the hidden data files. According to Blackbaud, the information was exposed because the company failed to destroy or encrypt certain "legacy" files after a migration of our files to a new platform.

What PI Was Exposed? At this time, we are informed sensitive personal information including your name, phone number, address, and Social Security or Tax Identification number were exposed. This is older data from the prior legacy versions of the programs that were used prior to migration.

What You Can Do:

To help you guard against identity theft or other potential fraud as a result of this incident, Blackbaud is offering free credit monitoring and fraud assistance services for 24 months. Information about how to access these services accompanies this letter. Although services are available to you, it is important to remain vigilant and promptly report any suspected fraud to law enforcement. For information on avoiding identity theft, please visit www.ftc.gov/idtheft.

In addition, security experts suggest that you contact your financial institution and all major credit bureaus immediately to inform them of such a breach and then take whatever steps are recommended to protect your interests, including the possible placement of a fraud alert on your credit file.

We encourage you to contact CyberScout to enroll in free CyberScout services by going to https://www.cyberscouthq.com/ and using the Enrollment Code provided above. Please note the deadline to enroll is April 30, 2021.

Again, at this time, there is no evidence that your information has been misused. However, we encourage you to take full advantage of this service offering.

Enclosed hereto you will find additional information regarding the resources available to you, and the steps that you can take to further protect your personal information.

For More Information:

We recognize that you may have questions not addressed in this letter. Kroll representatives have been fully versed on the incident and can answer questions or concerns you may have regarding the safeguarding of your personal information. If you have additional questions, please call Kroll at 1-XXX-XXX Monday through Friday, from 8:00 a.m. to 5:30 p.m. Central time.

Stanley Clark School values the security of your personal data, and we apologize for any inconvenience that this incident has caused.

Sincerely,

Melissa Grubb Head of School

Melusa Grabe

Additional Important Information

For residents of *Michigan, Missouri, Virginia, Vermont,* and *North Carolina*: It is recommended by state law 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.

For residents of Illinois, Iowa, Maryland, 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. You may obtain a free copy of your credit report from each of the three nationwide credit reporting agencies. To order your free credit report, please visit www.annualcreditreport.com, or call toll-free at 1-877-322-8228. You can also order your annual free credit report by mailing a completed Annual Credit Report Request Form (available at https://www.consumer.ftc.gov/articles/0155-free-credit-reports) to: Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA, 30348-5281.

For residents of lowa:

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

For residents of Maryland, Rhode Island, Illinois, New York, and North Carolina:

You can obtain information from the Maryland and North Carolina Offices of the Attorney General and the Federal Trade Commission about fraud alerts, security freezes, and steps you can take toward preventing identity theft.

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

Rhode Island Office of the Attorney General Consumer Protection 150 South Main Street, Providence RI 02903 1-401-274-4400 www.riag.ri.gov

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

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

New York Office of Attorney General Consumer Frauds & Protection, The Capitol Albany, NY 12224 1-800-771-7755 https://ag.ny.gov/consumer-frauds/identity-theft

For residents of all states:

Fraud Alerts: You can place fraud alerts with the three credit bureaus by phone and online with Equifax (https://www.transunion.com/fraud-alerts); or Experian (https://www.experian.com/fraud/center.html). A fraud alert tells creditors to follow certain procedures, including contacting you, before they open any new accounts or change your existing accounts. For that reason, placing a fraud alert can protect you, but also may delay you when you seek to obtain credit. As of September 21, 2018, initial fraud alerts last for one year. Victims of identity theft can also get an extended fraud alert for seven years. The phone numbers for all three credit bureaus are at the bottom of this page.

Monitoring: You should always remain vigilant and monitor your accounts for suspicious or unusual activity.

Security Freeze: You also have the right to place a security freeze on your credit report. 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 need to make a request to each consumer reporting agency. You may make that request by certified mail, overnight mail, regular stamped mail, or by following the instructions found at the websites listed below. The following information must be included when requesting a security freeze (note that if you are requesting a credit report for your spouse or a minor under the age of 16, 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. As of September 21, 2018, it is free to place, lift, or remove a security freeze. You may also place a security freeze for children under the age of 16. You may obtain a free security freeze by contacting any one or more of the following national consumer reporting agencies:

Equifax Security Freeze

P.O. Box 105788 Atlanta, GA 30348 https://www.equifax.com/personal/credit-reportservices/credit-freeze/ 800-525-6285 Experian Security Freeze P.O. Box 9554 Allen, TX 75013 www.experian.com/freeze 888-397-3742 TransUnion (FVAD)
P.O. Box 2000
Chester, PA 19022
freeze.transunion.com
800-680-7289

More information can also be obtained by contacting the Federal Trade Commission listed above.

Credit Monitoring Services

We are providing you with access to **Single Bureau Credit Monitoring*** services at no charge. Services are for 24 months from the date of enrollment. When changes occur to your Experian credit file, notification is sent to you the same day the change or update takes place with the bureau. In addition, we are providing you with proactive fraud assistance to help with any questions you might have. In the event you become a victim of fraud you will also have access remediation support from a CyberScout Fraud Investigator. In order for you to receive the monitoring service described above, you must enroll before April 30, 2021.

Proactive Fraud Assistance. For sensitive breaches focused on customer retention, reputation management, or escalation handling, CyberScout provides unlimited access during the service period to a fraud specialist who will work with enrolled notification recipients on a one-on-one basis, answering any questions or concerns that they may have. Proactive Fraud Assistance includes the following features:

- Fraud specialist-assisted placement of fraud alert, protective registration, or geographical equivalent, in situations where it is warranted.
- After placement of a Fraud Alert, a credit report from each of the three (3) credit bureaus is made available to the notification recipient (United States only).
- Assistance with reading and interpreting credit reports for any possible fraud indicators.
- Removal from credit bureau marketing lists while Fraud Alert is active (United States only).
- Answering any questions individuals may have about fraud.
- Provide individuals with the ability to receive electronic education and alerts through email. (Note that these emails may not be specific to the recipient's jurisdiction/location.)

Identity Theft and Fraud Resolution Services. Resolution services are provided for enrolled notification recipients who fall victim to an identity theft as a result of the applicable breach incident. ID Theft and Fraud Resolution includes, but is not limited to, the following features:

- Unlimited access during the service period to a personal fraud specialist via a toll-free number.
- · Creation of Fraud Victim affidavit or geographical equivalent, where applicable.
- Preparation of all documents needed for credit grantor notification, and fraud information removal purposes.
- All phone calls needed for credit grantor notification, and fraud information removal purposes.
- Notification to any relevant government and private agencies.
- Assistance with filing a law enforcement report.
- Comprehensive case file creation for insurance and law enforcement.
- Assistance with enrollment in applicable Identity Theft Passport Programs in states where it is available and in situations where it is warranted (United States only).
- Assistance with placement of credit file freezes in states where it is available and in situations where it is warranted (United States only); this is limited to online-based credit freeze assistance.
- Customer service support for individuals when enrolling in monitoring products, if applicable.
- Assistance with review of credit reports for possible fraudulent activity.
- Unlimited access to educational fraud information and threat alerts. (Note that these emails may not be specific to the recipient's jurisdiction/location.)

Enrollment Instruction

How do I enroll for the free services?

Enrollment Instruction

To enroll in Credit Monitoring services at no charge, please navigate to: https://www.cyberscouthg.com/

If prompted, please provide the following unique code to gain access to services:



Once registered, you can access Monitoring Services by selecting the "Use Now" link to fully authenticate your identity and activate your services. Please ensure you take this step to receive your alerts.

In order for you to receive the monitoring services described above, you must enroll before April 30, 2021.



October 19, 2020

Dear name,

This letter is to notify you that The Stanley Clark School was contacted by one of our third-party vendors, Blackbaud, Inc., to inform us they were victims of a data security breach that has affected more than 200 organizations internationally. In an effort to maintain full transparency with our community, we want to inform you that The Stanley Clark School was included in the organizations within the United States.

Blackbaud provides customer relationship management solutions for many non-profit, medical, and higher education clients around the world. Blackbaud was the subject of a ransomware attack and because of this the cyber-criminal may have gained access to some of your personal information.

Blackbaud, in conjunction with the FBI, investigated the incident and ultimately worked with the cyber-criminal to ensure the recovery and destruction of the exfiltrated data. Through vigilant 24 x 7 monitoring post-incident, Blackbaud reports there has been no evidence of improper use of any of the data files that may have been exposed. Blackbaud has already implemented changes to their data security protocols to prevent a similar incident from occurring again.

After The Stanley Clark School was notified of this incident, we took immediate action to understand the potential exposure and scope of personal data and retained counsel to assist and advise. There may have been exposure of your name, address, email address, and social security number, which requires this notification.

We are not aware of any instances of fraudulent activity connected to Blackbaud's system. Regardless, Blackbaud is providing you access to Single Bureau Credit Monitoring at no charge. Please see the following information from Blackbaud to take advantage of this service.

Blackbaud and the FBI will continue to monitor this situation. Blackbaud deeply regrets any inconvenience this may cause. We take cyber-threats seriously and are committed to holding Blackbaud accountable and keeping your personal information safe and secure.

Sincerely,

Melissa Grubb

Head of School

Melusa Grabe

Services

We are providing you with access to **Single Bureau Credit Monitoring*** services at no charge. Services are for 24 months from the date of enrollment. When changes occur to your Experian credit file, notification is sent to you the same day the change or update takes place with the bureau. In addition, we are providing you with proactive fraud assistance to help with any questions you might have. In the event you become a victim of fraud you will also have access remediation support from a CyberScout Fraud Investigator. In order for you to receive the monitoring service described above, you must enroll within 90 days from the date of this letter.

Proactive Fraud Assistance. For sensitive breaches focused on customer retention, reputation management, or escalation handling, CyberScout provides unlimited access during the service period to a fraud specialist who will work with enrolled notification recipients on a one-on-one basis, answering any questions or concerns that they may have. Proactive Fraud Assistance includes the following features:

- Fraud specialist-assisted placement of fraud alert, protective registration, or geographical equivalent, in situations where it is warranted
- After placement of a Fraud Alert, a credit report from each of the three (3) credit bureaus is made available to the notification recipient (United States only).
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- Unlimited access during the service period to a personal fraud specialist via a toll-free number.
- Creation of Fraud Victim affidavit or geographical equivalent, where applicable.
- Preparation of all documents needed for credit grantor notification, and fraud information removal purposes.
- All phone calls needed for credit grantor notification, and fraud information removal purposes.
- Notification to any relevant government and private agencies.
- Assistance with filing a law enforcement report.
- Comprehensive case file creation for insurance and law enforcement.
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- Assistance with placement of credit file freezes in states where it is available and in situations where it is warranted (United States only); this is limited to online-based credit freeze assistance.
- Customer service support for individuals when enrolling in monitoring products, if applicable.
- Assistance with review of credit reports for possible fraudulent activity.
- Unlimited access to educational fraud information and threat alerts. (Note that these emails may not be specific to the recipient's jurisdiction/location.)

Enrollment Instruction

To enroll in Credit Monitoring services at no charge, please navigate to: https://www.cyberscouthq.com/epiq263?ac=263HQ1778

If prompted, please provide the following unique code to gain access to services:



Once registered, you can access Monitoring Services by selecting the "Use Now" link to fully authenticate your identity and activate your services. Please ensure you take this step to receive your alerts.

In order for you to receive the monitoring services described above, you must enroll within 90 days from the date of this letter.

Yours sincerely, John

John Linton

Vice President of Sales and Operations K-12 Vertical



Blackbaud, Inc.