

STATE OF NH  
DEPT OF JUSTICE

**BakerHostetler**

2017 FEB -1 AM 9:33

**Baker & Hostetler LLP**

2929 Arch Street  
Cira Centre, 12th Floor  
Philadelphia, PA 19104-2891

T 215.568.3100  
F 215.568.3439  
www.bakerlaw.com

Erich M. Falke  
direct dial: 215.564.6529  
EFalke@bakerlaw.com

January 31, 2017

**VIA OVERNIGHT MAIL**

Joseph Foster  
Office of the Attorney General  
33 Capitol St  
Concord, NH 03301

**Re: Incident Notification**

Dear Attorney General Foster:

Our client, Athletic Clubs of America, Inc. ("Athletic Clubs"), submits this notice after learning of a security incident that may have involved the personal information of certain New Hampshire residents.

Athletic Clubs has outsourced certain aspects of its human resources systems to a third party vendor. Athletic Clubs requested from that third party vendor a copy of its human resources files during the process of transitioning to a different vendor. On January 5, 2017, Athletic Clubs received an envelope from its vendor that was damaged and empty. The vendor informed Athletic Clubs that when they shipped the envelope to Athletic Clubs, it contained a flash drive with the requested human resources information. The flash drive contained personal information including, name, address, date of birth, Social Security Number, and direct deposit banking information (including bank name and account number) for current and former Athletic Clubs employees. The vendor also informed Athletic Clubs that the flash drive was not encrypted or password-protected as directed by Athletic Clubs.

Athletic Clubs provided written notification via U.S. Mail on January XX, 2017, to 1 New Hampshire resident in accordance with N.H. Rev. Stat. Ann. § 359-C:20 in substantially the same form as the letter attached hereto. Notice is being provided as expeditiously as practicable and without unreasonable delay. Additionally, Athletic Clubs is offering affected individuals a free one-year membership in credit monitoring and identity theft protection services from Experian. Athletic Clubs has also established a dedicated call center to assist individuals with any questions they may have.

Atlanta Chicago Cincinnati Cleveland Columbus Costa Mesa Denver  
Houston Los Angeles New York Orlando Philadelphia Seattle Washington, DC

Joseph Foster  
Office of the Attorney General  
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In order to help prevent a similar incident from occurring in the future, Athletic Clubs has revised and enhanced its security procedures and policies for the manner in which personal information is transferred to and from Athletic Clubs including using secure electronic transmission protocols for future information transfers.

Please do not hesitate to contact me if you have any questions regarding this matter.

Sincerely,

A handwritten signature in black ink, appearing to be 'Erich M. Falke', with a long horizontal stroke extending to the right.

Erich M. Falke

EMF/si  
Enclosures



Return Mail Processing Center  
PO Box 6336  
Portland, OR 97228-6336

STATE OF MI  
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<<mail id>>  
<Name>  
<Address>  
<<City>><<State>><<Zip>>

<<Date>>

Dear <<Name>>:

Athletic Clubs of America, Inc. ("Athletic Clubs") is deeply committed to protecting the security and confidentiality of the information it maintains related to you as an employee or former employee. Regrettably, we are writing to inform you of an incident involving some of that information.

Athletic Clubs has outsourced certain aspects of its human resources systems to a third party vendor. Athletic Clubs was in the process of transitioning to a different vendor and requested a copy of its human resources files be returned in a secure and encrypted fashion. On January 5, 2017, Athletic Clubs received an envelope from its vendor but that envelope was damaged and empty. The vendor disclosed that when they shipped the envelope it contained a flash drive with the requested human resources information. The flash drive contained employee personal information, including your name, address, date of birth, Social Security Number, and direct deposit information. They also indicated that this information was not encrypted or password-protected as promised.

While we have no reason to believe that your information has been misused in any way, out of an abundance of caution, we wanted to let you know this happened and assure you we take it very seriously. As a precaution, we are providing you with a complimentary one-year membership of Experian's® ProtectMyID® Alert. This product helps detect possible misuse of your personal information and provides you with identity protection services focused on immediate identification and resolution of identity theft. ProtectMyID Alert is completely free to you and enrolling in this program will not hurt your credit score. **For more information on ProtectMyID Alert, including instructions on how to activate your complimentary one-year membership, as well as some additional steps you can take, please see the next page of this letter.**

We apologize for any inconvenience or concern this may have caused. In order to help prevent a similar incident, we are reinforcing with our vendors the importance of handling information securely and revising our internal policies and procedures for transferring personal information to or from Athletic Clubs. As your employer or former employer, we remain committed to protecting your personal employee information. If you have questions, please call 1-844-616-6340 from 9:00 a.m. to 9:00 p.m. Eastern time, Monday to Friday.

Sincerely,

Tom Van Hout  
Director of Finance

## Activate ProtectMyID Now in Three Easy Steps

1. ENSURE That You Enroll By: <<date>> (Your code will not work after this date.)
2. VISIT the ProtectMyID Web Site to enroll: [www.protectmyid.com/redeem](http://www.protectmyid.com/redeem)
3. PROVIDE Your Activation Code: <<code>>

If you have questions or need an alternative to enrolling online, please call 877-371-7902 and provide engagement #: <PC number>

### ADDITIONAL DETAILS REGARDING YOUR 12-MONTH PROTECTMYID MEMBERSHIP:

A credit card is not required for enrollment.

Once your ProtectMyID membership is activated, you will receive the following features:

- **Free copy of your Experian credit report**
- **Surveillance Alerts for:**
  - **Daily Bureau Credit Monitoring:** Alerts of key changes & suspicious activity found on your Experian, Equifax® and TransUnion® credit reports.
- **Identity Theft Resolution & ProtectMyID ExtendCARE:** Toll-free access to US-based customer care and a dedicated Identify Theft Resolution agent who will walk you through the process of fraud resolution from start to finish for seamless service. They will investigate each incident; help with contacting credit grantors to dispute charges and close accounts including credit, debit and medical insurance cards; assist with freezing credit files; contact government agencies.
  - It is recognized that identity theft can happen months and even years after a data breach. To offer added protection, you will receive ExtendCARE™, which provides you with the same high-level of Fraud Resolution support even after your ProtectMyID membership has expired.
- **\$1 Million Identity Theft Insurance\*:** Immediately covers certain costs including, lost wages, private investigator fees, and unauthorized electronic fund transfers.

**Activate your membership today at [www.protectmyid.com/redeem](http://www.protectmyid.com/redeem) or call 877-371-7902 to register with the activation code above.**

Once your enrollment in ProtectMyID is complete, you should carefully review your credit report for inaccurate or suspicious items. If you have any questions about ProtectMyID, need help understanding something on your credit report or suspect that an item on your credit report may be fraudulent, please contact Experian's customer care team at 877-371-7902.

### Additional Steps You Can Take

Even if you choose not to take advantage of this free credit monitoring, we recommend that you remain vigilant for incidents of fraud or identity theft by reviewing your account statements and free credit reports for any unauthorized activity. You may obtain a copy of your credit report, free of charge, once every 12 months from each of the three nationwide credit reporting companies. To order your annual free credit report, please visit [www.annualcreditreport.com](http://www.annualcreditreport.com) or call toll free at 1-877-322-8228. Contact information for the three nationwide credit reporting companies is as follows:

*Equifax*, PO Box 740241, Atlanta, GA 30374, [www.equifax.com](http://www.equifax.com), 1-800-685-1111  
*Experian*, PO Box 2002, Allen, TX 75013, [www.experian.com](http://www.experian.com), 1-888-397-3742  
*TransUnion*, PO Box 2000, Chester, PA 19016, [www.transunion.com](http://www.transunion.com), 1-800-916-8800

If you believe you are the victim of identity theft or have reason to believe your personal information has been misused, you should immediately contact the Federal Trade Commission and/or the Attorney General's office in your state. You can obtain information from these sources about steps an individual can take to avoid identity theft as well as information about fraud alerts and security freezes. You should also contact your local law enforcement authorities and file a police report. Obtain a copy of the police report in case you are asked to provide copies to creditors to correct your records. Contact information for the Federal Trade Commission is as follows:

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

\* Identity theft insurance is underwritten by insurance company subsidiaries or affiliates of AIG. The description herein is a summary and intended for informational purposes only and does not include all terms, conditions and exclusions of the policies described. Please refer to the actual policies for terms, conditions, and exclusions of coverage. Coverage may not be available in all jurisdictions.