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STATE OF NH  
DEPT OF JUSTICE  
2017 APR 20 AM 11:35

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April 6, 2017

***Via Certified Mail***

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

**Re: Notice of Data Security Incident at Berard & Associates, CPAs, P.C.**

Dear Attorney General Foster:

We represent Berard & Associates, CPAs, P.C. (a New York-based accounting firm), and we are writing to notify you of a data security incident that involved the personal information of five (5) New Hampshire residents. In February of 2017, Berard & Associates was notified by the Internal Revenue Service that certain client tax returns had been fraudulently filed. They immediately opened an investigation and learned that approximately 637 client documents had been accessed by an authorized party from the secure database hosted by SmartVault on August 11 and August 12, 2016 by utilizing the log-in credentials of a Berard & Associates employee. This database was used by Berard & Associates and their clients to safely transfer and store documents relevant to tax returns.

A forensic expert was promptly engaged, and they concluded on March 24, 2017 that there is no evidence of any intrusion, malware or other compromise on Berard & Associates' system. In an abundance of caution, we notified SmartVault of their findings in the hopes that they will coordinate with our expert to identify the source of the breach. There have been no other unauthorized downloads of Berard & Associates' documents identified from the SmartVault system to date.

Notification letters are being sent to each of the affected New Hampshire residents within a week, and a copy of the template letter is enclosed for your reference. To be proactive, we have also offered one year of free identity monitoring services, which include Credit Monitoring, Web Watcher, Identity Consultation, and Identity Restoration and reimbursement. Should you have any additional questions regarding this incident, please do not hesitate to contact the undersigned.

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Blue Bell, PA 19422  
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Very truly yours,

**STEWART BERNSTIEL REBAR & SMITH**



Cathleen Kelly Rebar

Encl.



<<MemberFirstName>> <<MemberMiddleName>> <<MemberLastName>> <<Date>> (Format: Month Day, Year)  
<<Address1>>  
<<Address2>>  
<<City>>, <<State>> <<ZipCode>>

**Notice of Data Breach**

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

We are writing to advise you about a data security incident that may have exposed some of your personal information. We want to emphasize that we understand how important your privacy is, and that we at Berard & Associates take the protection and proper use of your information very seriously. For this reason, we are contacting you directly to explain the circumstances of the incident.

**What happened?**

On or about February 13, 2017, we learned that documents stored on our vendor SmartVault’s portal had been accessed by an unauthorized party using the log-in credentials of a Berard & Associates employee. As you may know, the SmartVault portal stores our clients’ tax returns and related financial documentation. It is a secure portal that requires unique passwords for entry, and our decision to choose SmartVault was based on a thorough evaluation of their reputation and assurances of compliance with strict security protocols. Upon discovery of this incident, we promptly retained an industry-leading forensic expert to investigate, and they found that approximately 637 documents had been improperly accessed and downloaded in August of 2016. We have been assured that this is the only known instance of unauthorized access to Berard & Associate’s portal through SmartVault.

Our forensic expert further concluded on March 24, 2017 that there were no intrusions, compromises or malware evident on Berard & Associates’ systems. In an abundance of caution, we have also notified SmartVault of these findings with an eye towards working together to determine the cause and origin of the incident. It is of paramount importance to us that we take all appropriate steps to safeguard your financial information. As an additional part of our ongoing efforts to ensure the safety of your personal information, we are evaluating other options for storage and transfer of financial documents with our clients that may provide added layers of security. We have also been cooperating with the investigative efforts of the New York State Police Department.

**What information was involved?**

Due to the nature of financial documents maintained on the SmartVault system, the documents that were accessed without authorization contained the names, addresses, dates of birth, social security numbers and/or financial account numbers of our clients and/or their spouses and dependents.

**What we are doing.**

Immediately upon learning of the unauthorized download of documents, Berard & Associates retained the services of an incident response team, which included a leading and renowned forensic expert, to fully analyze our systems and determine the scope and extent of this privacy incident. As noted above, our expert has concluded their investigation and confirms that there is no evidence of any compromise, intrusion or malware on our system. We continue to invest into security measures designed to safeguard our clients’ documents and information.

To help relieve concerns and restore confidence following this incident, we have secured the services of Kroll to provide identity monitoring at no cost to you for one year. Kroll is a global leader in risk mitigation and response, and their team has extensive experience helping people who have sustained an unintentional exposure of confidential data. Your identity monitoring services include Credit Monitoring, Web Watcher, Public Persona, Quick Cash Scan, \$1 Million Identity Fraud Loss Reimbursement, Fraud Consultation, and Identity Theft Restoration.

Visit [krollbreach.idMonitoringService.com](http://krollbreach.idMonitoringService.com) to activate and take advantage of your identity monitoring services.

*You have until July 14, 2017 to activate your identity monitoring services.*

Membership Number: <<Member ID>>

To receive credit services by mail instead of online, please call 1-844-263-8605. Additional information describing your services is included with this letter.

**What you can do.**

Please review the enclosed "Additional Resources" section included with this letter. This section describes additional steps you can take to help protect yourself, including recommendations by the Federal Trade Commission regarding identity theft protection and details on how to place a fraud alert or a security freeze on your credit file.

**For more information.**

If you have questions, please call Kroll at 1-866-775-4209, Monday through Friday from 8:00 a.m. to 5:00 p.m. Central Time. Please have your membership number ready.

Protecting your information is important to us. We trust that the services we are offering to you demonstrate our continued commitment to your security and satisfaction.

Sincerely,



Donalee Berard  
President

## ADDITIONAL RESOURCES

### Contact information for the three nationwide credit reporting agencies is:

**Equifax**, PO Box 740241, Atlanta, GA 30374, [www.equifax.com](http://www.equifax.com), 1-800-685-1111

**Experian**, PO Box 2104, Allen, TX 75013, [www.experian.com](http://www.experian.com), 1-888-397-3742

**TransUnion**, PO Box 2000, Chester, PA 19022, [www.transunion.com](http://www.transunion.com), 1-800-888-4213

**Free Credit Report.** It is recommended that you remain vigilant for incidents of fraud and identity theft by reviewing account statements and monitoring your credit report for 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 agencies.

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**.

You can also order your annual free credit report by mailing a completed Annual Credit Report Request Form (available from the U.S. Federal Trade Commission's ("FTC") website at [www.consumer.ftc.gov](http://www.consumer.ftc.gov)) to:

Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348-5281.

#### **For Colorado, Georgia, Maine, Maryland, Massachusetts, New Jersey, Puerto Rico, and Vermont residents:**

You may obtain one or more (depending on the state) additional copies of your credit report, free of charge. You must contact each of the credit reporting agencies directly to obtain such additional report(s).

**Fraud Alert.** You may place a fraud alert in your file by calling one of the three nationwide credit reporting agencies above. 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.

**Security Freeze.** You have the ability 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 may be able to use an online process, an automated telephone line, or a written request to any of the three credit reporting agencies listed above. 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 credit reporting agencies may charge a fee to place a freeze, temporarily lift it or permanently remove it. The fee is waived if you are a victim of identity theft and have submitted a valid investigative or law enforcement report or complaint relating to the identity theft incident to the credit reporting agencies. (You must review your state's requirement(s) and/or credit bureau requirement(s) for the specific document(s) to be submitted.)

**For Massachusetts residents:** The fee for each placement of a freeze, temporary lift of a freeze, or removal of a freeze is \$5.

**Federal Trade Commission and State Attorneys General Offices.** 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 home state. You may also contact these agencies for information on how to prevent or avoid identity theft.

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

**For Maryland residents:** You may contact the Maryland Office of the Attorney General, Consumer Protection Division, 200 St. Paul Place, Baltimore, MD 21202, [www.oag.state.md.us](http://www.oag.state.md.us), 1-888-743-0023.

**For North Carolina residents:** You may contact the North Carolina Office of the Attorney General, Consumer Protection Division, 9001 Mail Service Center, Raleigh, NC 27699-9001, [www.ncdoj.gov](http://www.ncdoj.gov), 1-877-566-7226.

### Reporting of identity theft and obtaining a police report.

**For Iowa residents:** You are advised to report any suspected identity theft to law enforcement or to the Iowa Attorney General.

**For Massachusetts residents:** You have the right to obtain a police report if you are a victim of identity theft.

**For Oregon residents:** You are advised to report any suspected identity theft to law enforcement, the Federal Trade Commission, and the Oregon Attorney General.



## TAKE ADVANTAGE OF YOUR IDENTITY MONITORING SERVICES

You've been provided with access to the following services<sup>1</sup> from Kroll:

### **Credit Monitoring through TransUnion**

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 fraud specialist, who can help you determine if it's an indicator of identity theft.

### **Web Watcher**

Web Watcher monitors internet sites where criminals may buy, sell, and trade personal identity information. An alert will be generated if evidence of your personal identity information is found.

### **Public Persona**

Public Persona monitors and notifies when names, aliases, and addresses become associated with your Social Security number. If information is found, you'll receive an alert.

### **Quick Cash Scan**

Quick Cash Scan monitors short-term and cash-advance loan sources. You'll receive an alert when a loan is reported, and you can call a Kroll fraud specialist for more information.

### **\$1 Million Identity Fraud Loss Reimbursement**

Reimburses you for out-of-pocket expenses totaling up to \$1 million in legal costs for any one stolen identity event. All coverage is subject to the conditions and exclusions in the policy.

### **Fraud Consultation**

You have unlimited access to consultation with a Kroll fraud specialist. Support includes showing you the most effective ways to protect your identity, 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.

### **Identity Theft Restoration**

If you become a victim of identity theft, an experienced Kroll licensed investigator will work on your behalf to resolve related issues. You will have access to a dedicated investigator who understands your issues and will do most of the work for you. Your investigator can dig deep to uncover all aspects of the identity theft, and then work to resolve it.

<sup>1</sup> Kroll's activation website is only compatible with the current version or one version earlier of Internet Explorer, Chrome, Firefox, and Safari. To receive credit services, you must be over the age of 18 and have established credit in the U.S., have a Social Security number in your name, and have a U.S. residential address associated with your credit file.