



ROBERT E. CATTANACH
Partner
(612) 340-2873
FAX (612) 340-8800
cattanach.robert@dorsey.com

May 26, 2017

VIA E-MAIL

Attorney General Joseph Foster
Office of the Attorney General, Consumer Protection and Antitrust Division
33 Capitol Street
Concord, NH 03301
DOJ-CPB@doj.nh.gov

Re: Clysar New Hampshire Attorney General Data Security Breach Notification

Dear Attorney General Foster:

On behalf of our client Clysar, LLC ("Clysar"), Dorsey & Whitney LLP is notifying the Office of the Attorney General of the State of New Hampshire of circumstances that may have resulted in the compromise of non-computerized data involving one of your residents, as required by N.H. Rev. Stat. § 359-C:20. Only one New Hampshire resident was affected by this breach.

On approximately January 23, 2017, Clysar learned that certain employee W-2 forms may have been potentially compromised when one of its third-party providers transmitted its employees' paper W-2 information through the Postal Service, and the package containing those documents apparently was damaged in a way that could have resulted in the disclosure of some of those forms. If any forms were compromised, the data would have included personally identifiable information ("PII") such as names, addresses, and social security numbers. Our understanding is that the Postal Service repackaged the W-2s but then sent the documents to the wrong recipient. That recipient ultimately sent our Employee W-2s back to Clysar, but on our receipt, we noticed that some of the documents appeared to be missing.

Clysar immediately notified potentially affected employees through an initial notice letter on January 27, 2017 so that they could take steps as quickly as possible to protect against the fraudulent filing of tax returns, advised our employees to monitor their financial information closely, and advised them to take prompt action if they notice unusual activity. This early warning letter also included information if our employees wanted to contact the IRS, the three major credit bureaus, or file a complaint with the FTC. Clysar also reported the incident to the postal authorities, and notified the three major U.S. credit reporting agencies.



Attorney General Joseph Foster

May 26, 2017

Page 2

To help relieve concerns and restore confidence following this incident, Paychex, Clysar's third party partner, agreed to provide Clysar employees with one year of free credit monitoring services through Equifax. A second informational letter was sent on January 31, 2017 to Clysar employees providing the information necessary to sign up for the Equifax Credit Watch Gold with 3-in-1 Monitoring program. Finally, Clysar has discussed improvements in the transmittal process with our third-party vendor, and will continue to conduct regular assessments of its system to ensure its security.

Clysar will provide a more formal and final notification to the affected New Hampshire resident of the data security incident by U.S. Mail May 25, 2017. This notification was not delayed by an investigation. A sample of the notification to the New Hampshire resident is attached.

If you would like any additional information concerning the above event, please feel free to contact us at your convenience.

Very truly yours,

A handwritten signature in cursive script that reads 'Bob Cattanach'.

Robert E. Cattanach
Partner

Clysar

To: Our Valued Employees
From: Kelly Penning, Director of Human Resources
Subject: Closure for possible data breach

In January you received information regarding an incident which created the possible compromise of your individual W-2 information. In that letter, we provided instructions and a Promotion Code to sign up for credit monitoring from Equifax. If you have already followed the previously recommended actions, you do not need to take any further action.

As mentioned in the January letter, we continued working with our service providers and legal counsel to ensure compliance with various state laws. Based on those efforts, and in accordance with specific notification requirements for every state in which our current and former employees reside, we are providing the enclosed additional information, most of which was already in the January letter you received.

Again, we sincerely regret any inconvenience this may have caused you. If you have any questions, please contact me directly or send an email via Emp_Inquiry@Clysar.com.

Clysar, LLC

May 25, 2017

Re: Data Security Breach Notification

Dear Valued Employees:

Notice of Data Breach

We are writing to provide a follow up to the January letters we sent you regarding a data security incident that may have exposed some of your personally identifiable information to make sure that you have all of the information you need regarding the incident. We greatly value your contributions to this company, and we take the protection and proper use of your information very seriously. For this reason, we are contacting you directly to explain in a little more detail the circumstances of the incident.

I. What Happened?

On approximately January 23, 2017, Clysar, LLC (“Clysar”) learned that a third party may have obtained certain employer copies of W-2 forms.

The data compromised included names, addresses, and social security numbers. Employee W-2s may have been compromised when one of our business partners transmitted our employees’ paper W-2 information through the Postal Service. Personally identifiable information (“PII”), including name, social security, and addresses, was potentially compromised when the package containing the documents was damaged and the Postal Service repackaged the W-2s and sent the documents to the wrong recipient. The recipient ultimately sent the Employee W-2s back to Clysar, but on our receipt, we noticed that some of the documents appeared to be missing. With the aid of outside resources, we have worked hard to assess the potential scope of what happened, and taken actions to help you avoid and/or minimize as much as possible, any negative consequences. Our notification has not been delayed as a result of any law enforcement investigation.

As you may recall, we provided preliminary information regarding the breach and steps you could take to protect against fraudulent activity in the event that your information may have been compromised, including a recommendation that you immediately protect your personal financial accounts through the steps we outlined. We also included a copy of IRS Form 14039 and providing numbers to the three major credit bureaus, Equifax, Experian, and TransUnion. We also provided you the necessary information in case you wanted to file a complaint with the FTC or freeze your credit accounts through the three major credit reporting bureaus. This letter serves as a summary of those two, earlier notifications.

II. What Information was Involved?

Your W-2 forms were potentially compromised. Information on those forms includes your name, address on file, and social security number. This information could reasonably be used to attempt to apply fraudulently for credit cards, file tax returns, and open other loan applications.

Because your social security number may have been exposed, we need to provide you with the phone numbers to the three credit reporting bureaus:

- a. Equifax, www.Equifax.com, 1-888-766-0008
- b. Experian, www.Experian.com, 1-888-397-3742
- c. TransUnion, www.TransUnion.com, 1-800-680-7289

III. What We Are Doing.

We take the protection of personal information very seriously and sincerely apologize for any inconvenience experienced as a result of this incident. Clysar has reported the incident to appropriate postal authorities so they can initiate an investigation to help us assess the situation and prevent future threats.

As notified in an earlier letter, to help address your concerns and start to restore confidence following this incident, Paychex, the third party provider which generated the W-2 forms and apparently shipped them through regular mail, has agreed to provide Clysar employees with one year of free credit monitoring services through Equifax. Your identity monitoring services include daily credit monitoring of all three major credit bureaus, identity theft insurance for certain expenses up to \$1,000,000, and customer care available 24 hours a day/7 days a week.

The Equifax Credit Watch Gold with 3-in-1 Monitoring program is provided at no cost to you. We hope that based on our earlier communication you have already enrolled in this service, which provided two options for signing up:

1. Via the Internet
 - a. To sign up online for online delivery go to www.myservices.equifax.com/tri
 - b. **Welcome Page:** Enter the Activation Code provided at the bottom of this page in the "Activation Code" box and click the "Submit" button. The Code is **428269149875**.
 - c. **Register:** Next, complete the form with your contact information (name, gender, home address, date of birth, Social Security Number and telephone number) and click the "Continue" button.
 - d. **Create Account:** After, complete the form with your email address, create a User Name and Password, check the box to accept the Terms of Use and click the "Continue" button.

- e. **Verify ID:** The system will then ask you up to four security questions to verify your identity. Please answer the questions and click the "Submit Order" button.
- f. **Order Confirmation:** This page shows you your completed enrollment. Please click the "View My Product" button to access the product features.

2. Via U.S. Mail

- a. To sign up for U.S. Mail, dial 1-866-937-8432 for access to the Equifax Credit Watch automated enrollment process. Note that all credit reports and alerts will be sent to you via U.S. Mail only.
- b. **Promotion Code:** You will be asked to enter your promotion code as shown below. The Promotion Code is **428269149875**.
- c. **Customer Information:** You will be asked to enter your home telephone number, home address, name, date of birth, and Social Security Number.
- d. **Permissible Purpose:** You will be asked to provide Equifax with your permission to access your credit file and to monitor your file. Without your agreement, Equifax cannot process your enrollment.
- e. **Order Confirmation:** Equifax will provide a confirmation number with an explanation that you will receive your Fulfillment Kit via U.S. Mail (when Equifax is able to verify your identity) or a Customer Care letter with further instructions (if your identity cannot be verified using the information provided). Please allow up to 10 business days to receive this information.

If for some reason you did not enroll in the Equifax Credit Watch Gold with 3-in-1 Monitoring program based on our previous letter to you, and wish to do so now, please contact both Equifax through one of the two options noted above, and notify us immediately.

IV. 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. You may also obtain information from the Federal Trade Commission and the credit reporting agencies, whose contact information is included in the "Additional Resources" section, about fraud alerts and security freezes.

You should also remain vigilant in protecting against incidents of identity theft, like reviewing account statements and obtaining and double-checking free credit reports. Further, report any suspected identify theft to local law enforcement or, if you live in Iowa, to your state's Attorney General.

V. For More Information.

If you have additional concerns, please contact Kelly Penning, Director of Human Resources, Monday through Friday from 8:00 am to 4:00 pm CST by phone: 563.259.3319 or by email: Emp_Inquiry@Clysar.com.

Thank you for your ongoing patience and understanding as we work through this process. Protecting your information is critical to us. We trust that the services we are offering to you demonstrate our continued commitment to your security and satisfaction.

Sincerely,

Kelly Penning

Director of Human Resources

ADDITIONAL RESOURCES

Contact information for the three nationwide credit reporting agencies is:

Equifax, PO Box 740241, Atlanta, GA 30374, www.equifax.com, 1-888-766-0008

Experian, PO Box 4500, Allen, TX 75013, www.experian.com, 1-888-397-3742

TransUnion, PO Box 2000, Chester, PA 19016, www.transunion.com, 1-800-680-7289

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

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.)

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.

To report identify 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/, 1-877-IDTHEFT (438-4338).

If you live in Iowa, the attorney general can be contacted by email at consumer@iowa.gov, and by phone number by calling either 515-281-5926 or 888-777-4590. Iowa provides more information on identity theft here: <https://www.iowaattorneygeneral.gov/for-consumers/general-consumer-information/identity-theft/>. You should report any suspected incidents of identity theft to local law enforcement or the attorney general.

Equifax Credit Watch™ Gold with 3-in-1 Monitoring

Equifax Credit Watch™ Gold with 3-in-1 Monitoring provides you with an "early warning system" to changes to your credit file and help you understand the content of your credit file at the three major credit reporting agencies.

The key features and benefits of the Equifax Credit Watch™ Gold with 3-in-1 Monitoring are:

- Comprehensive credit file monitoring and automated alerts of key changes to your Equifax, Experian, and TransUnion credit reports.
- Wireless alerts and customizable alerts available
- One 3-in-1 Credit Report and access to your Equifax Credit Report™
- Up to \$1 million in identity theft insurance with \$0 deductible at no additional cost to you**
- 24/7 live customer service to assist you in understanding the content of your Equifax credit information, to provide personalized identity theft victim assistance and in initiating an investigation of inaccurate information.
- 90 day Fraud Alert placement with automatic renewal functionality (available online only)

To enroll, please select one of the following two options:

- 1) To sign up online for online delivery go to www.myservices.equifax.com/tri
 - **Welcome Page:** Enter the Activation Code provided at the bottom of this page in the "Activation Code" box and click the "Submit" button.
 - **Register:** Complete the form with your contact information (name, gender, home address, date of birth, Social Security Number and telephone number) and click the "Continue" button.
 - **Create Account:** Complete the form with your email address, create a User Name and Password, check the box to accept the Terms of Use and click the "Continue" button.
 - **Verify ID:** The system will then ask you up to four security questions to verify your identity. Please answer the questions and click the "Submit Order" button.
 - **Order Confirmation:** This page shows you your completed enrollment. Please click the "View My Product" button to access the product features.

** Identity theft insurance underwritten by subsidiaries or affiliates of Chartis Inc. 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. This product is not intended for minors (under 18 years of age).

2) To sign up for U.S. Mail, dial 1-866-937-8432 for access to the Equifax Credit Watch automated enrollment process. Note that all credit reports and alerts will be sent to you via U.S. Mail only.

- **Promotion Code:** You will be asked to enter your promotion code as shown below.
- **Customer Information:** You will be asked to enter your home telephone number, home address, name, date of birth, and Social Security Number.
- **Permissible Purpose:** You will be asked to provide Equifax with your permission to access your credit file and to monitor your file. Without your agreement, Equifax cannot process your enrollment.
- **Order Confirmation:** Equifax will provide a confirmation number with an explanation that you will receive your Fulfillment Kit via U.S. Mail (when Equifax is able to verify your identity) or a Customer Care letter with further instructions (if your identity cannot be verified using the information provided). Please allow up to 10 business days to receive this information.

Promotion Code: XXXXXXXXXXXX 12 digit unique code provided to each employee

** **