Creating solutions, changing lives.

Easter Seals New Hampshire

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Larry J. Gammon
President/CEO

November 12, 2014

Attorney General Joseph Foster
NH Department of Justice
33 Capitol Street
Concord, NH 03301

Dear Attorney General Foster:

Pursuant to N.H. Rev. Stat. § 359-C:20, we are writing to notify you of an unauthorized acquisition of personal information involving seven (7) New Hampshire residents.

NATURE OF THE SECURITY BREACH- PHISHING SCAM

Easter Seals New Hampshire, Inc. (Easter Seals) recently learned that a group of employees were victims of an email phishing scam stemming from emails received on Saturday, November 1st and Sunday, November 2nd. Easter Seals began an immediate investigation of the incident upon learning of the same on November 3rd.

Based on the results of the investigation, Easter Seals believes that seven employees were potentially affected by the scam. Those seven employees provided their personal usernames and passwords for Easter Seals' human resources software application in connection with the phishing email. This login information allowed access to the individual accounts for those seven employees (the "Personal Accounts"). The information contained in the Personal Accounts includes the employee name, address, social security number, date of birth, direct deposit financial account number, salary and payroll information. Easter Seals determined that there were unauthorized changes made to the routing information for the direct deposit accounts for the seven affected employees. However, internal controls caught the unauthorized changes, which allowed Easter Seals to take corrective and preventative action. No unauthorized direct deposits occurred.

Easter Seals IT staff became aware of the phishing email on November 3rd, and immediately blocked emails from the suspect email address. A notification was sent to all email users to disregard the suspect email, and users were instructed to reset their passwords and contact the IT Help Desk if they had clicked on the link and entered their credentials. On November 4th Easter Seals became aware of the attempted unauthorized rerouting of direct deposits, at which time it took corrective steps to prevent the rerouting. Easter Seals IT disabled web access to the affected software application in order to further investigate the situation. Easter Seals contacted its counsel Sheehan Phinney Bass and Green, PA and consulted with them as it conducted its internal investigation. At this point, Easter Seals believes it has secured the vulnerable Personal Accounts, and taken necessary steps to protect personal information contained in its impacted systems moving forward.

NUMBER OF NEW HAMPSHIRE RESIDENTS AFFECTED

Easter Seals believes that 7 residents of New Hampshire, all Easter Seals employees, have been affected. These Easter Seals employees were addressed about this matter, by senior management, on November 6, 2014 and also received written notice. A form of the written notice provided to these impacted employees is attached hereto.

STEPS TAKEN AND TO BE TAKEN BY EASTER SEALS RELATING TO THE INCIDENT

In addition to the steps described above, Easter Seals continues to monitor this situation. In response to learning about this incident Easter Seals has performed a password reset of all permissions with respect to the impacted applications and all finance and human resource data and information for the recipients of the suspect email and advised all other users to reset their passwords. Additional steps were taken to further restrict display and functionality within the impacted application. Easter Seals has conducted subsequent reviews to ensure that the restrictions function properly.

Employees have been notified about both the dangers of phishing scams and the need to be vigilant the future. Easter Seals is developing a training program specifically designed to assist staff in identifying these types of e-mails and the related risks associated with them. This will also review best practices for maintaining passwords. As noted above, affected employees were notified by management about this situation and received a written notice. Easter Seals will assist these affected employees by offering to pay for identity protection services from LifeLock for a period of one year.

Easter Seals plans to report this incident to the Internet Crime Complaint Center so that the matter can be forwarded to the proper law enforcement branch for appropriate follow-up.

OTHER NOTIFICATION AND CONTACT INFORMATION

Should you have any questions about this incident, the handling of the incident, notices provided or steps taken to prevent any such future incident, please contact Michael Bonfanti at (603) 621-3405 or via email at MBonfanti@eastersealsnh.org

Sincerely,

Elin Treanor – CFO
Easter Seals NH, Inc.

Michael J Bonfanti – Senior VP of IT
Easter Seals NH, Inc.

Encs.
cc: Daniel K. Fink, Esq.
Margaret Probish, Esq.

Michael Bonfanti

From: Michael Bonfanti
Sent: Thursday, November 06, 2014 1:42 PM
Subject: CONFIDENTIAL - PeopleSoft/Security

This e-mail is in follow up to the November 4th e-mail sent to you from Tina M Sharby. As you know, there was a data security incident that occurred involving your personal information.

On Saturday, November 1st and Sunday, November 2nd, a group of staff members received an email from portal@eastersealsnh.org with the subject **Account Update Needed**. This was a PHISHING SCAM looking for user names and passwords. You were among the users who clicked on the link and were directed to a site that looked like an Easter Seals Login page. Those who continued with the login unknowingly provided their usernames and passwords to hackers. The hackers used the user names and passwords provided to logon to PeopleSoft HR and changed routing of the users' direct deposit to another bank and account number. Our internal controls caught the unauthorized changes and upon allowed us to take corrective and preventative action. No unauthorized direct deposits occurred.

Easter Seals immediately began an internal investigation to look into this breach. The following is meant to provide you with information about our investigation, what we have learned to date and what corrective actions we have taken.

- On Monday morning, IT staff became aware of the phishing email and immediately blocked emails from portal@eastersealsnh.org. A notification was sent to all email users to disregard the email and they were instructed to reset their passwords and contact the IT Help Desk if they had clicked on the link and entered their credentials.

- On Monday afternoon, Easter Seals payroll began to receive automated notifications of the changes made to direct deposit routing.

- On Tuesday morning, Payroll reviewed the notifications, contacted users to validate changes and discovered the breach and notified IT. Steps were immediately taken to correct and prevent the unauthorized changes. PeopleSoft HR web access was disabled and our investigation continued.

- At this point, we believe we have taken all the necessary steps to protect your personal information contained in our PeopleSoft system.

- *In the World* today, there are more and more attempts made to gather your personal information. We all need to be vigilant in protecting ourselves. We will develop a training specifically designed to assist staff in identifying these types of e-mails and the related risks associated with them. This will also review best practices for maintaining passwords. You will be hearing more about this in the very near future.

We recommended that you review your financial accounts and credit reports for any suspicious activity. In addition, we provided you with the ability to enroll in a theft and identity protection service through LifeLock.

Again, we deeply regret that this incident has occurred and will continue to monitor the circumstances of this incident to prevent any such further unauthorized access to personal information. If you have any questions or additional information about the situation, please feel free to contact me at (603) 621-3405 or simply reply to this e-mail. Should you ever have questions as to the legitimacy of an email, please contact the IT Help Desk.

Sincerely,

Michael J Bonfanti
SVP - Information Technology
Easter Seals NH, VT, NY, ME, RI,
Farnum Center,Webster Place
555 Auburn Street
Manchester, NH 03103
Office: 603-621-3405
Fax: 603-621-3472
Email: mbonfanti@eastersealsnh.org
IT Help Line: 603-621-3666

Easter Seals provides exceptional services to ensure that all people with disabilities or special needs and their families have equal opportunities to live, learn, work and play in their communities.

Easter Seals

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