

**Melanie Marie Witte**  
melanie.witte@troutman.com

December 4, 2017

**OVERNIGHT**

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

RECEIVED  
DEC 06 2017  
CONSUMER PROTECTION

**Re: Notice of Data Incident**

Dear Attorney General Foster:

Pursuant to N.H. Rev. Stat. Ann. section 359-C:20, and on behalf of my client Hayden, Narey & Persich (HNP), I am writing to notify you of a data incident potentially affecting two (2) New Hampshire residents.

**NATURE OF THE UNAUTHORIZED ACCESS**

While filing returns on extension, HNP encountered suspicious electronic activity in their tax program with some federal tax returns inexplicably rejected. HNP immediately contacted their tax filing software company, the IRS, and the Orange County Sheriff's Department. A law enforcement investigation was commenced and due to their active criminal investigation, a law enforcement notification hold was placed on the matter. On November 28, 2017, law enforcement notified HNP that the notification hold was lifted.

A specialized forensic IT firm determined that HNP's system was accessed by a malicious actor on July 3<sup>rd</sup> and 4<sup>th</sup>, 2017, through a Remote Desktop application. Pertinently, HNP has no evidence that any New Hampshire residents' information was accessed, but the forensic IT firm has not ruled out the possibility. Accordingly, HNP is notifying everyone whose information was accessible out of an abundance of caution, as soon as HNP was authorized by law enforcement to notify.

As a partner, shareholder or beneficiary of a partnership, company, or trust HNP performed work for, the information may have included the two residents': first and last name, address, Social Security number, and the losses and gains earned from that entity.

## NUMBER OF NEW HAMPSHIRE RESIDENTS AFFECTED

Two (2) New Hampshire residents were potentially affected as a result of the unauthorized access. The residents will be mailed a notification letter on Wednesday, December 6, 2017. Please see enclosed for a form version of the notice.

## STEPS WE HAVE TAKEN RELATING TO THE INCIDENT

HNP immediately began an investigation into the matter, changed all account information, notified the IRS and law local enforcement, and retained a specialized forensic IT firm to investigate. Further, HNP notified the Federal Bureau of Investigation, the three credit bureaus, and the applicable state agencies, and they are reviewing office policies and procedures to ensure security measures are taken to further minimize such an incident from occurring again. Lastly, HNP has secured credit monitoring for residents for one year, and HNP will continue to work with law enforcement in any investigation of the criminals.

## OTHER NOTIFICATION AND CONTACT INFORMATION

Formal notification letters to all impacted individuals currently identified are being mailed Wednesday, December 6, 2017, the applicable state Attorney General offices and consumer affairs agencies have been notified, and HNP will continue to assist law enforcement in the identification of the intruder in any way they can.

For any further information, please contact Melanie Witte at (415) 477-5731, melanie.witte@troutmansanders.com, Troutman Sanders, 580 California Street, Suite 1100, San Francisco, CA 94104.

Sincerely,



Melanie Marie Witte

*Enclosure*

## Hayden, Narey & Persich

CERTIFIED PUBLIC ACCOUNTANTS  
A PROFESSIONAL CORPORATION

2340 S. EL CAMINO REAL  
SUITE 15  
SAN CLEMENTE  
CALIFORNIA  
92672  
(949) 492-5307  
(949) 498-6061  
FAX  
(949) 492-0569  
hnp@hnp CPA.com

December 6, 2017

Dear <<Name1>>,

We are writing to provide you with information about a data incident involving Hayden, Narey & Persich. You are receiving this letter because you are either a partner, shareholder or beneficiary of a partnership, company, or trust we performed work for, and accordingly, we had some of your personal information in our system.

### What Happened?

While filing returns on extension, we encountered suspicious electronic activity in our tax program with some federal tax returns inexplicably rejected. We immediately contacted our tax filing software company, the IRS, and the Orange County Sheriff's Department. A law enforcement investigation was commenced and due to the active criminal investigation, a law enforcement notification hold was placed on the matter. The notification hold was not lifted until November 28, 2017. We also hired a specialized forensic IT firm for additional investigation.

The specialized forensic IT firm determined that our system was accessed by a malicious actor on July 3<sup>rd</sup> and 4<sup>th</sup>, 2017, through a Remote Desktop application. Pertinently, we have found no evidence that your information was accessed, but the forensic IT firm has not ruled out the possibility. Accordingly, we are notifying everyone whose information was accessible out of an abundance of caution, as soon as we were authorized by law enforcement to notify.

### What Information Was Involved?

As a partner, shareholder or beneficiary of a partnership, company, or trust we performed work for, the information may have included your: first and last name, address, Social Security number, and the losses and gains earned from that entity.

### What We Are Doing.

In addition to notifying the FBI, the IRS, and law local enforcement, we have notified all three credit bureaus, and we are notifying all applicable state agencies. Further, we are reviewing office policies and procedures to ensure all security measures are taken to further minimize such an incident from occurring again.

*As an added precaution*, we have also arranged for Equifax® to provide its Credit Watch™ Gold identity theft protection product for one year at no charge to you. A description of this product is provided

in the attached material, which also contains instructions about how to enroll (including your personal activation code). If you choose to take advantage of this product, it will provide you with a notification of any changes to your credit information, up to \$25,000 Identity Theft Insurance Coverage and access to your credit report. You must complete the enrollment process by **March 18, 2018**. We urge you to consider enrolling in this product, at our expense, and to review the Additional Resources enclosed with this letter.

### What You Can Do.

In addition to signing-up for the complimentary credit monitoring we have secured for you, given the nature of the information potentially exposed, we recommend:

1. Establish free 90-day fraud alerts with the three credit reporting bureaus. Their telephone numbers and websites are:

Equifax P.O. Box 740241 Atlanta, GA 30374 1-888-766-0008 <a href="https://www.alerts.equifax.com/AutoFraudOnline/jsp/fraudAlert.jsp">https://www.alerts.equifax.com/AutoFraudOnline/jsp/fraudAlert.jsp</a>	Experian P.O. Box 2104 Allen, TX 75013 1-888-397-3742 <a href="https://www.experian.com/fraud/center.html">https://www.experian.com/fraud/center.html</a>	TransUnion P.O. Box 2000 Chester, PA 19022 1-800-680-7289 <a href="http://www.transunion.com/fraud-victim-resource/place-fraud-alert">http://www.transunion.com/fraud-victim-resource/place-fraud-alert</a>
------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

2. Consider placing a credit freeze on your accounts which will make it more difficult for someone to open an account. For information: <https://www.consumer.ftc.gov/articles/0497-credit-freeze-faqs>
3. If you become a victim or suspect identity theft, file a complaint with the Federal Trade Commission at <https://identitytheft.gov> and law enforcement. The FTC also provides detailed and specific information about identity theft at their website, which we recommend you review.

Lastly, you are entitled to a free credit report every year from each of these agencies at: [www.annualcreditreport.com](http://www.annualcreditreport.com)

### For More Information.

Your privacy and security are very important to us, as is addressing this incident with the information and assistance you may need. If you have any questions or concerns, please call toll free number 888-454-1148, or call (949) 492-5307, or write us at 2340 S El Camino Real, # 15, San Clemente, CA 92672.

Very truly yours,

Hayden, Narey & Persich

## Information about Identity Theft Protection

We recommend that you regularly review statements from your accounts and periodically obtain your credit report from one or more of the national credit reporting companies. You may obtain a free copy of your credit report online at [www.annualcreditreport.com](http://www.annualcreditreport.com), by calling toll-free 1-877-322-8228, or by mailing an Annual Credit Report Request Form (available at [www.annualcreditreport.com](http://www.annualcreditreport.com)) to: Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA, 30348-5281. You may also purchase a copy of your credit report by contacting one or more of the three national credit reporting agencies listed below.

**Equifax:** P.O. Box 740241, Atlanta, Georgia 30374-0241, 1-800-685-1111, [www.equifax.com](http://www.equifax.com)  
**Experian:** P.O. Box 9532, Allen, TX 75013, 1-888-397-3742, [www.experian.com](http://www.experian.com)  
**TransUnion:** P.O. Box 1000, Chester, PA 19022, 1-800-888-4213, [www.transunion.com](http://www.transunion.com)

When you receive your credit reports, review them carefully. Look for accounts or creditor inquiries that you did not initiate or do not recognize. Look for information, such as home address and Social Security number, that is not accurate. If you see anything you do not understand, call the credit reporting agency at the telephone number on the report.

We recommend you remain vigilant with respect to reviewing your account statements and credit reports, and promptly report any suspicious activity or suspected identity theft to us and to the proper law enforcement authorities, including local law enforcement, your state's attorney general and/or the Federal Trade Commission ("FTC"). You may contact the FTC or your state's regulatory authority to obtain additional information about avoiding identity theft.

- **North Carolina Residents:** Office of the Attorney General of North Carolina, 9001 Mail Service Center Raleigh, NC 27699-9001, [www.ncdoj.com/](http://www.ncdoj.com/), Telephone: 1-919-716-6400 / 1-877-5-NO-SCAM

**All US Residents:** Identity Theft Clearinghouse, Federal Trade Commission, 600 Pennsylvania Avenue, NW Washington, DC 20580, [www.consumer.gov/idtheft](http://www.consumer.gov/idtheft), 1-877-IDTHEFT (438-4338), TDD: 1-202-326-2502.

**Fraud Alerts:** There are also two types of fraud alerts that you can place on your credit report to put your creditors on notice that you may be a victim of fraud: an initial alert and an extended alert. You may ask that an initial fraud alert be placed on your credit report if you suspect you have been, or are about to be, a victim of identity theft. An initial fraud alert stays on your credit report for at least 90 days. You may have an extended alert placed on your credit report if you have already been a victim of identity theft with the appropriate documentary proof. An extended fraud alert stays on your credit report for seven years. You can place a fraud alert on your credit report by calling the toll-free fraud number of any of the three national credit reporting agencies listed below.

Equifax: 1-888-766-0008, [www.equifax.com](http://www.equifax.com)  
Experian: 1-888-397-3742, [www.experian.com](http://www.experian.com)  
TransUnion: 1-800-680-7289, [fraud.transunion.com](http://fraud.transunion.com)

**Credit Freezes:** You may have the right to put a credit freeze, also known as a security freeze, on your credit file, so that no new credit can be opened in your name without the use of a PIN number that is issued to you when you initiate a freeze. A credit freeze is designed to prevent potential credit grantors from accessing your credit report without your consent. If you place a credit freeze, potential creditors and other third parties will not be able to get access to your credit report unless you temporarily lift the freeze. Therefore, using a credit freeze may delay your ability to obtain credit. In addition, you may incur fees to place, lift and/or remove a credit freeze. Credit freeze laws vary from state to state. The cost of placing, temporarily lifting, and removing a credit freeze also varies by state, generally \$5 to \$20 per action at each credit reporting company. *Unlike a fraud alert, you must separately place a credit freeze on your credit file at each credit reporting company.* Since the instructions for how to establish a credit freeze differ from state to state, please contact the three major credit reporting companies as specified below to find out more information:

Equifax: P.O. Box 105788, Atlanta, GA 30348, [www.equifax.com](http://www.equifax.com)  
Experian: P.O. Box 9554, Allen, TX 75013, [www.experian.com](http://www.experian.com)  
TransUnion LLC: P.O. Box 2000, Chester, PA, 19022-2000, [freeze.transunion.com](http://freeze.transunion.com)

You can obtain more information about fraud alerts and credit freezes by contacting the FTC or one of the national credit reporting agencies listed above.



<p><u>About the Equifax Credit Watch™ Gold identity theft protection product</u></p> <p>Equifax Credit Watch will provide you with an “early warning system” to changes to your credit file. Note: You must be over age 18 with a credit file in order to take advantage of the product.</p>	<p>Equifax Credit Watch provides you with the following key features and benefits:</p> <ul style="list-style-type: none"><li>○ Comprehensive credit file monitoring and automated alerts of key changes to your <b>Equifax</b> credit report</li><li>○ Wireless alerts and customizable alerts available (available online only)</li><li>○ Access to your Equifax Credit Report™</li><li>○ Up to \$25,000 in identity theft insurance with \$0 deductible, at no additional cost to you †</li><li>○ Live agent Customer Service 7 days a week from 8 a.m. to 3 a.m. to assist you in understanding the content of your Equifax credit information, to provide personalized identity theft victim assistance, and help initiate an investigation of inaccurate information.</li><li>○ 90 day Fraud Alert placement with automatic renewal functionality* (available online only)</li></ul>
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

**How to Enroll: You can sign up online or over the phone**

<p>To sign up online for <b>online delivery</b> go to <a href="http://www.myservices.equifax.com/gold">www.myservices.equifax.com/gold</a></p> <ol style="list-style-type: none"><li>1. <u>Welcome Page</u>: Enter the Activation Code provided at the top of this page in the “Activation Code” box and click the “Submit” button.</li><li>2. <u>Register</u>: 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.</li><li>3. <u>Create Account</u>: 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.</li><li>4. <u>Verify ID</u>: 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.</li><li>5. <u>Order Confirmation</u>: This page shows you your completed enrollment. Please click the “View My Product” button to access the product features.</li></ol>	<p>To sign up by phone for <b>US Mail delivery</b>, 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 US Mail only.</p> <ol style="list-style-type: none"><li>1. <u>Activation Code</u>: You will be asked to enter your enrollment code as provided at the top of this letter.</li><li>2. <u>Customer Information</u>: You will be asked to enter your home telephone number, home address, name, date of birth and Social Security Number.</li><li>3. <u>Permissible Purpose</u>: 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.</li><li>4. <u>Order Confirmation</u>: Equifax will provide a confirmation number with an explanation that you will receive your Fulfillment Kit via the US Mail (when Equifax is able to verify your identity) or a Customer Care letter with further instructions (if your identity can not be verified using the information provided). Please allow up to 10 business days to receive this information.</li></ol>
----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

† Identity Theft Insurance underwritten by insurance company subsidiaries or affiliates of American International Group, 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)

\* The Automatic Fraud Alert feature made available to consumers by Equifax Information Services LLC and fulfilled on its behalf by Equifax Consumer Services LLC