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September 26, 2022

VIA U.S. Mail
Office of the Attorney General
33 Capitol Street
Concord, NH 03301

Re: Security Breach Notification

To Whom It May Concern,

We are writing on behalf of our client, The PenFacs Group ("PenFacs") (located at 337 Turnpike Road Suite #203, Southborough, MA 01772), to notify you of a data security incident involving twelve (12) New Hampshire residents.[1]

Nature

On February 23, 2022, PenFacs discovered suspicious activity in one of its employee email accounts involving a spam email campaign. At that time, PenFacs' technology team acted quickly to secure its systems through a variety of methods. PenFacs also engaged third-party independent cybersecurity experts to conduct an investigation into the incident.

At the conclusion of the investigation, PenFacs determined that an unauthorized individual or individuals gained access to the account, likely via a phishing email, on or around November 15, 2021, and as a result potentially obtained personal information. With the results of the investigation, PenFacs began a comprehensive review of the affected email account and determined that the impacted data contained protected personal information of certain individuals. On September 20, 2022, PenFacs concluded its initial review and located the most recent contact information for these individuals. PenFacs determined that the incident potentially involved twelve (12) New Hampshire residents. With this said, as of now, PenFacs has no evidence indicating that any information has been used for identity theft or financial fraud as a result of the incident.

The personal information potentially obtained included driver's license numbers, passport numbers, state identification card numbers, usernames and passwords, Social Security Numbers, financial account information (i.e., financial account numbers and routing numbers), medical information (i.e., medical history, condition, treatment, or diagnosis, and prescription information), and health insurance information.

[1] By providing this notice, PenFacs does not waive any rights or defenses regarding the applicability of New Hampshire law, the applicability of the New Hampshire data event notification statute, or personal jurisdiction.

Notice and PenFacs' Response to the Event

On September 26, 2022, PenFacs will mail a written notification to the potentially affected New Hampshire residents, pursuant to N.H. Rev. State § 359-C:19, in a substantially similar form as the enclosed letter (attached as Exhibit A).

Additionally, PenFacs is providing the potentially impacted individuals the following:

- Free access to credit monitoring services for one year through Cyberscout;
- Guidance on ways to protect against identity theft and fraud, including steps to report any suspected activities or events of identity theft or fraud to their credit card company and/or bank;
- The appropriate contact information for the consumer reporting agencies along with information on how to obtain a free credit report and place a fraud alert and security freeze on their credit file;
- A reminder to remain vigilant for incidents of fraud and identity theft by reviewing account statements and monitoring free credit reports; and
- Encouragement to contact the Federal Trade Commission and law enforcement to report attempted or actual identity theft and fraud.

Further, PenFacs provided notice to the applicable government regulators, officials, and other state Attorneys General (as necessary). Finally, PenFacs is working to implement any necessary additional safeguards; enhance and improve its policies and procedures related to data protection; improve its cybersecurity infrastructure; and further train its employees on best practices to minimize the likelihood of this type of incident occurring again.

Contact Information

If you have any questions or wish to discuss this event further, please do not hesitate to call me on my direct dial (410) 456-2741 or email me at spollock@mcdonaldhopkins.com.

Sincerely Yours,

Spencer S. Pollock, Esq., CIPP/US, CIPM

EXHIBIT A

The PenFacs Group
P.O. Box 3923
Syracuse, NY 13220

THE PENFACS GROUP
337 Turnpike Road Suite #203
Southborough, MA 01772

[redacted]

September 26, 2022

Re: Notice of a Data Security Incident

Dear [redacted]

The PenFacs Group works with valued partners and other professional advisers to provide insurance products and financial assistance to clients. At the PenFacs Group, we value transparency and respect the privacy of your information, which is why, as a precautionary measure, we are writing to let you know about a data security incident that involved your personal information, what we did in response, and steps you can take to protect yourself against possible misuse of the information.

What Happened
On February 23, 2022, we discovered an outgoing spam email campaign that appeared to be from one of our employee email accounts. When we discovered the suspicious activity, our technology team acted quickly to secure our systems. We also notified federal law enforcement and engaged third-party cybersecurity experts to conduct an investigation to determine the full nature and scope of the event.

At the conclusion of the investigation, we determined that an unauthorized individual or individuals gained access to one of our email accounts, likely via a phishing email on or around November 15, 2021, and as a result, potentially obtained personal information. With the results of the investigation, we began a comprehensive review of the affected email account and determined that the impacted data contained some of your personal information. Based on our investigation, and the nature of the unauthorized account activity, we believe this was solely an attempt to obtain funds through a spam email campaign (which, to the best of our knowledge, was not successful), and we have no evidence that your information has been used for identity theft or financial fraud. However, we wanted to notify you of the incident out of an abundance of caution and provide you information on how to best protect your identity.

What Information Was Involved
The types of information included your [redacted]

To reiterate, we have no evidence indicating that your information has been used for identity theft or financial fraud as a result of the incident.

What We Are Doing
The security and privacy of the information contained within our systems is a top priority for us. In response to this incident, we took immediate steps to secure our systems and engaged third-party forensic experts to assist in the investigation. Additionally, while we have safeguards in place to protect data in our care, we continue to review and further enhance these protections as part of our ongoing commitment to data security.

What You Can Do

As stated above, while we have no evidence indicating that your information has been used for identity theft or fraud, we strongly recommend that you remain vigilant, monitor and review all of your financial and account statements, and report any unusual activity to the institution that issued the record, as well as law enforcement. In addition, please see "***OTHER IMPORTANT INFORMATION***" on the following pages for guidance on how to best protect your identity.

Finally, we are providing you with access to Single Bureau Credit Monitoring* services at no charge. These services provide you with alerts for 12 months from the date of enrollment when changes occur to your credit file. This notification is sent to you the same day that the change or update takes place with the bureau. In addition, we are providing you with proactive fraud assistance to help with any questions that you might have or in the event that you become a victim of fraud. These services will be provided by Cyberscout through Identity Force, a company specializing in fraud assistance and remediation services.

To enroll in Credit Monitoring* services at no charge, please log on to [redacted] and follow the instructions provided. When prompted please provide the following unique code to receive services: [redacted]

For More Information

We sincerely regret this incident occurred and for any concern it may cause. We understand that you may have questions about it beyond what is covered in this letter. If you have any additional questions, please call the dedicated toll-free helpline set up specifically for this purpose at [redacted] Monday through Friday, 8:00 a.m. to 8:00 p.m. (EST, excluding major U.S. holidays).

Sincerely,

Erik DeGregorio
President

* Services marked with an "*" require an internet connection and e-mail account and may not be available to minors under the age of 18 years of age. Please note that when signing up for monitoring services, you may be asked to verify personal information for your own protection to confirm your identity.

OTHER IMPORTANT INFORMATION

Obtain and Monitor Your Credit Report. We recommend that you obtain a free copy of your credit report from each of the three nationwide credit reporting agencies once every 12 months by visiting http://www.annualcreditreport.com, calling toll-free 877-322-8228, or by completing an Annual Credit Report Request Form and mailing it to Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348. You can access the request form at https://www.annualcreditreport.com/index.action. Alternatively, you can elect to purchase a copy of your credit report by contacting one of the three national credit reporting agencies. The three nationwide credit reporting agencies' contact information are provided below to request a copy of your credit report or general identified above inquiries.

Equifax	**Experian**	**TransUnion**
P.O. Box 105069 Atlanta, GA 30348-5069 https://www.equifax.com/personal/credit-report-services/credit-fraud-alerts/ (800) 525-6285	P.O. Box 9554 Allen, TX 75013 https://www.experian.com/fraud/center.html (888) 397-3742	P.O. Box 2000 Chester, PA 19016 https://www.transunion.com/fraud-alerts (800) 680-7289

Security Freeze (also known as a Credit Freeze). Following is general information about how to request a security freeze from the three credit reporting agencies. While we believe this information is accurate, you should contact each agency for the most accurate and up-to-date information. A security freeze prohibits a credit reporting agency from releasing any information from a consumer's credit report without written authorization. However, please be aware that placing a security freeze on your credit report may delay, interfere with, or prevent the timely approval of any requests you make for new loans, credit, mortgages, employment, housing, or other services. In addition, in some states, the agency cannot charge you to place, lift or remove a security freeze. There might be additional information required, and as such, to find out more information, please contact the three nationwide credit reporting agencies (contact information provided below).

Equifax Security Freeze	**Experian Security Freeze**	**TransUnion Security Freeze**
P.O. Box 105788 Atlanta, GA 30348-5788 https://www.equifax.com/personal/credit-report-services/credit-freeze/ (888)-298-0045	P.O. Box 9554 Allen, TX 75013 http://experian.com/freeze (888) 397-3742	P.O. Box 160 Woodlyn, PA 19094 https://www.transunion.com/credit-freeze (888) 909-8872

Consider Placing a Fraud Alert on Your Credit Report. You may want to consider placing a fraud alert on your credit report. An initial fraud alert is free and will stay on your credit file for at least twelve months. The alert informs creditors of possible fraudulent activity within your report and requests that the creditor contact you before establishing any accounts in your name. To place a fraud alert on your credit report, contact any of the three nationwide credit reporting agencies identified above. Additional information is available at https://www.equifax.com/personal/credit-report-services/credit-fraud-alerts/

Remain Vigilant, Review Your Account Statements and Notify Law Enforcement of Suspicious Activity. As a precautionary measure, we recommend that you remain vigilant by closely reviewing your account statements and credit reports. If you detect any suspicious activity on an account, we strongly advise that you promptly notify the financial institution or company that maintains the account. Further, you should promptly report any fraudulent activity or any suspected incidence of identity theft to proper law enforcement authorities, including your state attorney general and the Federal Trade Commission (FTC). To file a complaint or to contact the FTC, you can (1) send a letter to the *Federal Trade Commission*, Consumer Response Center, 600 Pennsylvania Avenue NW, Washington, DC 20580; (2) go to IdentityTheft.gov/databreach; or (3) call 1-877-ID-THEFT (877-438-4338). Complaints filed with the FTC will be added to the FTC's Identity Theft Data Clearinghouse, a database made available to law enforcement agencies.

Take Advantage of Additional Free Resources on Identity Theft. We recommend that you review the tips provided by the Federal Trade Commission's Consumer Information website, a valuable resource with some helpful tips on how to protect your information. Additional information is available at https://consumer.ftc.gov/identity-theft-and-online-security/online-privacy-and-security. For more information, please visit IdentityTheft.gov or call 1-877-ID-THEFT (877-438-4338). In addition, a copy of Identity Theft – A Recovery Plan, a comprehensive guide from the FTC to help you guard against and deal with identity theft, can be found on the FTC's website at https://www.consumer.ftc.gov/.

New Hampshire Residents: You have the right to ask that the three nationwide credit reporting agencies place fraud alerts in their file (as described above) and or request a security freeze (as described above). To place or fraud alert on your file or request the security freeze, please contact three credit reporting agencies identified above.

Washington D.C. Residents: You may obtain information about preventing identity theft from the Office of the Attorney General for the District of Columbia, 400 6th Street NW, Washington D.C. 20001, https://oag.dc.gov/consumer-protection, Telephone: 1-202-442-9828.

New York Residents: You may obtain information about preventing identity theft from the New York Attorney General's Office: Office of the Attorney General, The Capitol, Albany, NY 12224-0341; https://ag.ny.gov/consumer-frauds-bureau/identity-theft; Telephone: 800-771-7755.

Iowa Residents: You may contact law enforcement or the Iowa Attorney General's Office to report suspected incidents of identity Theft: Office of the Attorney General of Iowa, Consumer Protection Division, Hoover State Office Building, 1305 East Walnut Street, Des Moines, IA 50319, www.iowaattorneygeneral.gov, Telephone: (515) 281-5164

Maryland Residents: You may obtain information about avoiding identity theft from the Maryland Attorney General's Office: Office of the Attorney General of Maryland, Consumer Protection Division, 200 St. Paul Place, Baltimore, MD 21202, www.oag.state.md.us/Consumer, Telephone: 1-888-743-0023.

North Carolina Residents: You may obtain information about preventing identity theft from the North Carolina Attorney General's Office: Office of the Attorney General of North Carolina, Consumer Protection Division, 9001 Mail Service Center, Raleigh, NC 27699-9001, www.ncdoj.gov/, Telephone: 877-566-7226.

Oregon Residents: You may obtain information about preventing identity theft from the Oregon Attorney General's Office: Oregon Department of Justice, 1162 Court Street NE, Salem, OR 97301-4096, www.doj.state.or.us/, Telephone: 877-877-9392

New Mexico Residents: You have rights under the federal Fair Credit Reporting Act (FCRA). These include, among others, the right to know what is in your file; to dispute incomplete or inaccurate information; and to have consumer reporting agencies correct or delete inaccurate, incomplete, or unverifiable information. For more information about the FCRA, please visit www.consumer.ftc.gov/articles/pdf-0096-fair-credit-reporting-act.pdf or www.ftc.gov.

In addition, New Mexico Consumers Have the Right to Obtain a Security Freeze or Submit a Declaration of Removal

As noted above, you may obtain a security freeze on your credit report to protect your privacy and ensure that credit is not granted in your name without your knowledge. You may submit a declaration of removal to remove information placed in your credit report as a result of being a victim of identity theft. You have a right to place a security freeze on your credit report or submit a declaration of removal pursuant to the Fair Credit Reporting and Identity Security Act.

The security freeze is designed to prevent credit, loans, and services from being approved in your name without your consent. When you place a security freeze on your credit report, you will be provided with a personal identification number, password, or similar device to use if you choose to remove the freeze on your credit report or to temporarily authorize the release of your credit report to a specific party or parties or for a specific period of

time after the freeze is in place. To remove the freeze or to provide authorization for the temporary release of your credit report, you must contact the consumer reporting agency and provide all of the following:

1. The unique personal identification number, password, or similar device provided by the consumer reporting agency;
2. Proper identification to verify your identity; and
3. Information regarding the third party or parties who are to receive the credit report or the period of time for which the credit report may be released to users of the credit report.

A consumer reporting agency that receives a request from a consumer to lift temporarily a freeze on a credit report shall comply with the request no later than three business days after receiving the request. As of September 1, 2008, a consumer reporting agency shall comply with the request within fifteen minutes of receiving the request by a secure electronic method or by telephone.

A security freeze does not apply in all circumstances, such as where you have an existing account relationship and a copy of your credit report is requested by your existing creditor or its agents for certain types of account review, collection, fraud control, or similar activities; for use in setting or adjusting an insurance rate or claim or insurance underwriting; for certain governmental purposes; and for purposes of prescreening as defined in the federal Fair Credit Reporting Act.

If you are actively seeking a new credit, loan, utility, telephone, or insurance account, you should understand that the procedures involved in lifting a security freeze may slow your own applications for credit. You should plan ahead and lift a freeze, either completely if you are shopping around or specifically for a certain creditor, with enough advance notice before you apply for new credit for the lifting to take effect. You should contact a consumer reporting agency and request it to lift the freeze at least three business days before applying. As of September 1, 2008, if you contact a consumer reporting agency by a secure electronic method or by telephone, the consumer reporting agency should lift the freeze within fifteen minutes. You have a right to bring a civil action against a consumer reporting agency that violates your rights under the Fair Credit Reporting and Identity Security Act.

To place a security freeze on your credit report, you must send a request to each of the three major consumer reporting agencies: Equifax, Experian, and TransUnion. You may contact these agencies using the contact information provided above.

Rhode Island Residents: You may contact law enforcement, such as the Rhode Island Attorney General's Office, to report incidents of identity theft or to learn about steps you can take to protect yourself from identity theft. You can contact the Rhode Island Attorney General at: Rhode Island Office of the Attorney General, 150 South Main Street, Providence, RI 02903, www.riag.ri.gov, (401) 274-4400.

As noted above, you may obtain a security freeze on your credit report to protect your privacy and ensure that credit is not granted in your name without your knowledge. You have a right to place a "security freeze" on your credit report pursuant to chapter 48 of title 6 of the Identity Theft Prevention Act of 2006.

The security freeze is designed to prevent credit, loans, and services from being approved in your name without your consent. When you place a security freeze on your credit report, within five (5) business days you will be provided a personal identification number or password to use if you choose to remove the freeze on your credit report or to temporarily authorize the release of your credit report for a specific period of time after the freeze is in place. To provide that authorization, you must contact the consumer reporting agency and provide all of the following:

1. The unique personal identification number or password provided by the consumer reporting agency.
2. Proper identification to verify your identity.
3. The proper information regarding the period of time for which the report shall be available to users of the credit report.

A consumer reporting agency that receives a request from a consumer to temporarily lift a freeze on a credit report shall comply with the request no later than three (3) business days after receiving the request.

A security freeze does not apply to circumstances where you have an existing account relationship and a copy of your report is requested by your existing creditor or its agents or affiliates for certain types of an account review, collection, fraud control, or similar activities.

If you are actively seeking a new credit, loan, utility, telephone, or insurance account, you should understand that the procedures involved in lifting a security freeze may slow your own applications for credit. You should plan ahead and lift a freeze -- either completely, if you are shopping around, or specifically for a certain creditor -- with enough advance notice before you apply for new credit for the lifting to take effect.

You have a right to bring a civil action against someone who violates your rights under the credit reporting laws. The action can be brought against a consumer reporting agency or a user of your credit report.

To place a security freeze on your credit report, you must send a request to each of the three major consumer reporting agencies: Equifax, Experian, and TransUnion. These agencies can be contacted using the contact information provided above.

In order to request a security freeze, you may need to provide the following information:

1. Your full name (including middle initial as well as Jr., Sr., II, III, etc.);
2. Social Security number;
3. Date of birth;
4. Complete address;
5. Prior addresses;
6. Proof(s) of identification (state driver's license or ID card, military identification, birth certificate, etc.);
7. If you are a victim of identity theft, a copy of either the police report, investigative report, or complaint to a law enforcement agency concerning identity theft.

There were 1 Rhode Island residents impacted by this incident.