



QUAD-C

Nina T. Myers
CHIEF FINANCIAL OFFICER/
CHIEF COMPLIANCE OFFICER
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OFFICE: 434.293.3537

June 7, 2018

Consumer Protection and Antitrust Bureau
Office of the Attorney General
33 Capitol Street
Concord, NH 03301

Re: Notification Regarding Unauthorized Acquisition of Personal Information

Dear Attorney General,

I write on behalf of Quad-C Management, Inc. to let you know of an issue that we believe may have involved certain personal information of 5 residents of New Hampshire.

Quad-C Management, Inc. recently learned that an unauthorized individual may have illegally accessed a Quad-C employee's email account. We immediately took steps to block this unauthorized access, and brought in a well-known, third party forensic firm to investigate the matter. Their investigation has uncovered evidence suggesting that in April 2018 the unauthorized individual may have obtained access to certain information within that email account. The information the unauthorized individual may have accessed is used to facilitate investment activity, and includes 14 names, bank account numbers, and social security numbers.

We prepared written notifications to all New Hampshire residents whose personal information we believe was involved. The notification letter is attached. We are also offering a complimentary two-year membership in Experian IdentityWorks.

In addition, we took immediate steps to block the unauthorized individual and are further strengthening our information security controls and procedures.

Quad-C takes the privacy and security of personal information very seriously. If you have any questions about this event, please contact me at 434-293-3537.

Sincerely,

Nina T. Myers
Chief Financial Officer/Chief Compliance Officer

Quad-C Management, Inc.
200 Garrett Street
Suite M
Charlottesville, VA 22902

June 7, 2018

Notice of Data Breach

Party Affected:

We are writing to let you know of an issue that may concern certain of your information. We are not aware of any misuse of your information. Still, we believe it is prudent to let you know what we understand happened, and to fill you in on steps we are taking in response. We apologize for any inconvenience this may cause, and if you have any questions after reading this notice, please feel free to contact us.

What Happened?

Quad-C Management, Inc. recently learned that an unauthorized individual may have illegally accessed a Quad-C employee's email account. We immediately took steps to block this unauthorized access and brought in a well-known, third-party forensic firm to investigate the matter. Their investigation has uncovered evidence suggesting that in April 2018 the unauthorized individual may have obtained access to certain of your information within that email account.

What Information Was Involved?

The information the unauthorized individual may have accessed is used to facilitate your investment activity and includes your social security number.

What We Are Doing

We are offering you a complimentary two-year membership in Experian IdentityWorks. Please see Exhibit A for information on how to obtain your membership in Experian IdentityWorks. These services are being offered in accordance with certain state regulatory requirements and requests and are being extended to individuals in other states as a courtesy. We nonetheless have received no reports that your information has been used in any manner that would compromise your identity or credit.

In addition, we took immediate steps to block the unauthorized individual and are further strengthening our information security controls and procedures.

What You Can Do

Attached on Exhibit B is an "Information about Identity Theft Protection" guide, which describes recommendations by the Federal Trade Commission on how to place a fraud alert or a security freeze on your credit file.

For More Information

Quad-C takes the privacy and security of personal information very seriously. Please do not hesitate to contact Nina Myers at 434-293-3537 or ntm@qc-inc.com with any questions or concerns you might have.

Exhibit A

Experian IdentityWorks Membership

We are offering a complimentary two-year membership of Experian's IdentityWorks. To activate your membership, please follow the steps below.

- Ensure that you **enroll by: September 30, 2018** (Your code will not work after this date.)
- Visit the Experian IdentityWorks website to enroll: <https://www.experianidworks.com/3bcredit>
- Provide your **activation code**:
- Please include your Engagement Number: DB07107

The key features and benefits of this service are listed below.

- **Experian credit report at signup:** See what information is associated with your credit file. Daily credit reports are available for online members only.*
- **Credit Monitoring:** Actively monitors Experian, Equifax and Transunion files for indicators of fraud.
- **Identity Restoration:** Identity Restoration specialists are immediately available to help you address credit and non-credit related fraud.
- **Experian IdentityWorks ExtendCARE™:** You receive the same level of Identity Restoration support even after your Experian IdentityWorks membership has expired.
- **Up to \$1 Million Identity Theft Insurance:** Provides coverage for certain costs and unauthorized electronic fund transfers.**

If you believe there was fraudulent use of your information and would like to discuss how you may be able to resolve those issues, please reach out to an Experian agent at 1-888-890-9332. If it is determined that Identity Restoration support is needed, then an Experian Identity Restoration agent is available to work with you to investigate and resolve each incident of fraud that occurred (including, as appropriate, helping you with contacting credit grantors to dispute charges and close accounts; assisting you in placing a freeze on your credit file with the three major credit bureaus; and assisting you with contacting government agencies to help restore your identity to its proper condition).

Please note that this Identity Restoration support is available to you for one year from the date of this letter and does not require any action on your part at this time. The Terms and Conditions for this offer are located at www.ExperianIDWorks.com/restoration. You will also find more self-help tips and information about identity protection at this site.

* Offline members will be eligible to call for additional reports quarterly after enrolling

** Identity theft insurance is underwritten by insurance company subsidiaries or affiliates of American International Group, Inc. (AIG). 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.

Exhibit B

Information about Identity Theft Protection

You may obtain a free copy of your credit report online at 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) 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

Experian, P.O. Box 9532, Allen, TX 75013, 1-888-397-3742, www.experian.com

TransUnion, P.O. Box 1000, Chester, PA 19022, 1-877-322-8228, www.transunion.com

You should not provide any personal information in response to notices regarding data security events. Vigilance with respect to reviewing account statements and credit reports may help reduce fraud or identity theft. Any suspicious activity or suspected identity theft may be reported 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 to obtain additional information about avoiding and protection against identity theft: Federal Trade Commission, Consumer Response Center, 600 Pennsylvania Avenue, NW, Washington, D.C. 20580, 1-877-IDTHEFT (438-4338), www.ftc.gov/idtheft.

Fraud Alerts: There are 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 contacting any of the three national credit reporting agencies at the toll-free numbers listed below:

Equifax
877-478-7625

Experian
888-397-3742

TransUnion
800-680-7289

Credit Freezes: You may have the right to put a credit 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 Security Freeze
P.O. Box 105788
Atlanta, GA 30348
www.equifax.com

Experian Security Freeze
P.O. Box 9554
Allen, TX 75013
www.experian.com

TransUnion (FVAD)
P.O. Box 2000
Chester, PA 19022-2000
freeze.transunion.com

If you are a resident of Maryland, you may contact the Maryland Attorney General's Office at 200 St. Paul Place, Baltimore, MD 21202, www.oag.state.md.us, 1-888-743-0023.

If you are a resident of North Carolina, you may contact the North Carolina Attorney General's Office at 9001 Mail Service Center, Raleigh, NC 27699, www.ncdoj.gov, 1-919-716-6400.

If you are a resident of West Virginia, you also have the right to ask that nationwide consumer reporting agencies place "fraud alerts" in your file to let potential creditors and others know that you may be a victim of identity theft. A fraud alert can make it more difficult for someone to get credit in your name because it tells creditors to follow certain procedures to protect you. It also may delay your ability to obtain credit. You may place a fraud alert in your file by calling one of the three nationwide consumer reporting agencies. Contact information for each of the three credit reporting agencies is as follows:

Equifax, PO Box 740256, Atlanta, GA 30374, www.equifax.com, 1-800-685-1111

Experian, PO Box 9554, Allen, TX 75013, www.experian.com, 1-888-397-3742

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

As soon as that agency processes your fraud alert, it will notify the other two, which then also must place fraud alerts in your file. You may choose between two types of fraud alert. An initial alert (Initial Security Alert) stays in your file for at least 90 days. An extended alert (Extended Fraud Victim Alert) stays in your file for seven years. To place either of these alerts, a consumer reporting agency will require you to provide appropriate proof of your identity, which may include your Social Security number. If you ask for an extended alert, you will have to provide an identity theft report. An identity theft report includes a copy of a report you have filed with a federal, state, or local law enforcement agency, and additional information a consumer reporting agency may require you to submit. For more detailed information about the identity theft report, visit www.ftc.gov/idtheft/.

You may also 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 West Virginia law. The security freeze will prohibit a consumer reporting agency from releasing any information in your credit report without your express authorization or approval.

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 business days you will be provided a unique personal identification number ("PIN") or password to use if you choose to remove the freeze on your credit report or to temporarily authorize the distribution of your credit report for a 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 ("PIN") or password provided by the consumer reporting agency;
- (2) Proper identification to verify your identity; and
- (3) 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 business days after receiving the request.

A security freeze does not apply to circumstances in which 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 account review, collection, fraud control or similar activities.

If you are actively seeking credit, 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, a few days before actually applying for new credit.