

BakerHostetler

STATE OF NH
DEPT OF JUSTICE

2017 APR 3 AM 9:30

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March 31, 2017

VIA OVERNIGHT MAIL

Attorney General Joseph Foster
Office of the Attorney General
33 Capitol Street
Concord, NH 03301-6310

Re: Incident Notification

Dear Attorney General Foster:

On March 1, 2017, our client, Sarnova, Inc. ("Sarnova"), received reports from some employees who had fraudulent tax returns filed in their names. Upon learning this, Sarnova immediately began an investigation and determined that a spear phishing email had been sent to a Sarnova employee on January 20, 2017. The employee responded to the email, believing it was a legitimate request from a Sarnova executive, and provided W-2 information for Sarnova employees who were employed in 2016. The W-2 information contained the employee's name, Social Security number, and earning information. Sarnova notified the IRS and state taxing authorities for the purpose of attempting to prevent fraudulent tax returns.

On March 31, 2017, Sarnova is mailing notifications to three New Hampshire residents in accordance with N.H. Rev. Stat. Ann. § 359-C:20 in substantially the same form as the letter attached hereto. Sarnova is offering individuals one year identity theft protection services and credit monitoring through ID Experts®. Sarnova has provided employees with the Vice President of Human Resources' contact information to call with any questions they may have. Notice is being provided as soon as possible and without unreasonable delay. See N.H. Rev. Stat. Ann. § 359-C:20 I(a).

To help prevent this from occurring in the future, Sarnova has put in place additional information processing controls, and provided training and education to staff regarding phishing emails.

Attorney General Joseph Foster

March 31, 2017

Page 2

Please contact me if you have any questions regarding this matter.

Sincerely,

Paulette M. Thomas

Paulette M. Thomas

Counsel

Enclosure



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[Name]
[Address1]
[Address2]
[City, State Zip]

March 31, 2017

Notice of Security Incident

Dear [Name]:

Sarnova, Inc. is committed to protecting the privacy and security of our current and former employees' information. Regrettably, we are writing to inform you of an incident that compromised the security of your payroll information.

What Happened

On March 1, 2017, we learned that some employees had fraudulent tax returns filed. We immediately began an investigation, and determined that a targeted "spear phishing" email had been sent to a Sarnova employee on January 20, 2017. Spear phishing emails are an attempt to solicit personal information from unsuspecting users by appearing as if they had been sent from a legitimate organization or known individual. The email that our employee received was carefully designed to appear as though it had been sent by Mark Dougherty requesting the W-2 information for employees who were employed in 2016.

What Information Was Involved

Sarnova HC, LLC W-2 details for all employees who were employed by Sarnova in 2016 – this included your name, Social Security number, earnings, and tax information.

What We Are Doing

We have notified the IRS and state taxing authorities for the purpose of attempting to prevent fraudulent tax refunds from being paid. To help prevent this from occurring in the future, we have put in place additional information processing, security controls, and provided training and education to staff regarding phishing emails. We are also offering you 12 months free identity theft protection services through ID Experts® including credit monitoring, a \$1,000,000 insurance reimbursement policy, educational materials, and fully managed identity theft recovery services. With this protection, MyIDCare will help you resolve issues if your identity is compromised.

What You Can Do

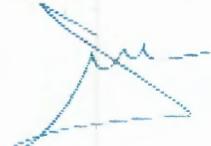
We encourage you to contact ID Experts with any questions related to this service offering and to enroll in free MyIDCare services by calling 1-800-939-4170 or going to www.idexpertscorp.com/protect and using the Enrollment Code provided below. MyIDCare experts are available Monday through Friday from 6 a.m. – 5 p.m. Pacific Time. Please note the deadline to enroll is June 30, 2017.

We encourage you to take full advantage of this service offering which is open to 2016 Sarnova employees who received W-2's and their immediate family members (i.e. spouse and dependents). MyIDCare representatives have been fully versed on the incident and can answer questions or concerns you may have regarding protection of your personal information.

For More Information

You will find detailed instructions for enrollment on the enclosed Recommended Steps document. Also, you will need to reference the following enrollment code below when calling or enrolling on the website, so please do not discard this letter. We regret any inconvenience this may cause you. If you have any questions please call Jim McGannon at 614-760-5000, or email him at jim.mcgannon@sarnova.com, Monday through Friday between the hours of 9 a.m. and 5 p.m. Eastern Time.

Sincerely,



Sarnova, Inc.
Jim McGannon
Vice President of Human Resources

(Enclosure)



Your Enrollment Code: [ID Experts will insert]

Please call 1-800-939-4170 or go to www.idexperts corp.com/protect for assistance or for any additional questions you may have.

Recommended Steps to help Protect your Information

Please Note: Minors, under the age of 18, should not have a credit history established and are under the age to secure credit. Therefore credit monitoring may not be applicable at this time. All other services provided in the membership will apply. No one is allowed to place a fraud alert on your credit report except you, please follow the instructions below to place the alert.

- 1. Website and Enrollment.** Go to www.idexperts corp.com/protect and follow the instructions for enrollment using your Access Code provided above. Once you have completed your enrollment, you will receive a welcome letter by email (or by mail if you do not provide an email address when you sign up). The welcome letter will direct you to the exclusive MyIDCare Member Website where you will find other valuable educational information.
- 2. Activate the credit monitoring** provided as part of your MyIDCare membership, which is paid for by Sarnova. Credit monitoring is included in the membership, but you must personally activate it for it to be effective. Note: You must have established credit and access to a computer and the internet to use this service. If you need assistance, MyIDCare will be able to assist you.
- 3. Telephone.** Contact MyIDCare at 1-800-939-4170 to gain additional information about this event and speak with knowledgeable representatives about the appropriate steps to take to protect your credit identity.
- 4. Review your credit reports.** We recommend that you remain vigilant by reviewing account statements and monitoring credit reports. Under federal law, you also are entitled every 12 months to one free copy of your credit report from each of the three major credit reporting companies. To obtain a free annual credit report, go to www.annualcreditreport.com or call 1-877-322-8228. You may wish to stagger your requests so that you receive a free report by one of the three credit bureaus every four months.

If you discover any suspicious items and have enrolled in MyIDCare, notify them immediately by calling or by visiting their Member website and filing a theft report.

If you file a theft report with MyIDCare, you will be contacted by a member of our ID Care team who will help you determine the cause of the suspicious items. In the unlikely event that you fall victim to identity theft as a consequence of this incident, you will be assigned an ID Care Specialist who will work on your behalf to identify, stop, and reverse the damage quickly.

You should also know that you have the right to file a police report if you ever experience identity fraud. Please note that in order to file a crime report or incident report with law enforcement for identity theft, you will likely need to provide some kind of proof that you have been a victim. A police report is often required to dispute fraudulent items. You can report suspected incidents of identity theft to local law enforcement or to the Attorney General.

- 5. Place Fraud Alerts** with the three credit bureaus. If you choose to place a fraud alert, we recommend you do this after activating your credit monitoring. You can place a fraud alert at one of the three major credit bureaus by phone and also via Experian's or Equifax's website. 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. The contact information for all three bureaus is as follows:

Credit Bureaus

Equifax Fraud Reporting
1-800-525-6285
P.O. Box 740256
Atlanta, GA 30374-0241
www.alerts.equifax.com

Experian Fraud Reporting
1-888-397-3742
P.O. Box 9554
Allen, TX 75013
www.experian.com

TransUnion Fraud Reporting
1-800-680-7289
P.O. Box 2000
Chester, PA 19022-2000
www.transunion.com

It is necessary to contact only ONE of these bureaus and use only ONE of these methods. As soon as one of the three bureaus confirms your fraud alert, the others are notified to place alerts on their records as well. You will receive confirmation letters in the mail and will then be able to order all three credit reports, free of charge, for your review.

6. Security Freeze. By placing a security freeze, someone who fraudulently acquires your personal identifying information will not be able to use that information to open new accounts or borrow money in your name. You will need to contact the three national credit reporting bureaus listed above in writing to place the freeze. Keep in mind that when you place the freeze, you will not be able to borrow money, obtain instant credit, or get a new credit card until you temporarily lift or permanently remove the freeze. The cost of placing the freeze varies by the state you live in and for each credit reporting bureau. The Credit Bureau may charge a fee of up to \$5.00 to place a freeze, lift, or remove a freeze. However, if you are a victim of identity theft and have filed a report with your local law enforcement agency or submitted an ID Theft Complaint Form with the Federal Trade Commission, there may be no charge to place the freeze.

7. You can obtain additional information about the steps you can take to avoid identity theft from the following agencies. The Federal Trade Commission also encourages those who discover that their information has been misused to file a complaint with them.

California Residents: Visit the California Office of Privacy Protection (www.privacy.ca.gov) for additional information on protection against identity theft.

Kentucky Residents: Office of the Attorney General of Kentucky, 700 Capitol Avenue, Suite 118 Frankfort, Kentucky 40601, www.ag.ky.gov, Telephone: 1-502-696-5300.

Maryland Residents: 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: Office of the Attorney General of North Carolina, 9001 Mail Service Center Raleigh, NC 27699-9001, www.ncdoj.com/, Telephone: 1-919-716-6400.

Oregon Residents: Oregon Department of Justice, 1162 Court Street NE, Salem, OR 97301-4096, www.doj.state.or.us/, Telephone: 877-877-9392

Rhode Island Residents: Office of the Attorney General, 150 South Main Street, Providence, Rhode Island 02903, www.riag.ri.gov, Telephone: 401-274-4400

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