

LEWIS
BRISBOIS
BISGAARD
& SMITH LLP

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STATE OF NH
DEPT OF JUSTICE
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December 2, 2014

INTENDED FOR ADDRESSEE(S) ONLY

Attorney General Joseph Foster
Office of the New Hampshire Attorney General
Attn: Security Breach Notification
33 Capitol Street
Concord, NH 03301

Re: Notice of Data Event

Dear Mr. Foster:

We represent American Residuals and Talent, Inc. ("ART"), 26 Gregs Way, Suite A, Tamworth, New Hampshire 03886, and are writing to notify you of a data security incident that may have compromised the security of personal information of New Hampshire residents. ART's investigation into this event is ongoing, and this notice will be supplemented with new significant facts learned subsequent to its submission. By providing this notice, ART does not waive any rights or defenses regarding the applicability of New Hampshire law or personal jurisdiction.

Nature of the Data Security Event

ART is a specialized payroll service in the advertising, entertainment and events production industry. On October 18, 2014, ART detected an unauthorized login on its web application from IP addresses located in China that occurred at 12:10 p.m. ART worked immediately and aggressively to contain the unauthorized access and protect employee information and took the affected server offline at 2:54 p.m. ART launched an investigation and retained Kroll, Inc., globally recognized forensic experts, to confirm whether information may have been accessed by the intruders. ART determined that a small number of files containing personal information were accessed by the intruders. Additionally, on November 10, 2014, Kroll determined that ART's employee database may have been accessed during the October 18, 2014 intrusion. The intruders would have had access to this database for one (1) hour and forty-seven

(47) minutes, and based on the size of the bytes posted during the intrusion, the intruders would not have been able to access significant amounts of data from the database.

It is possible that no New Hampshire residents' information was accessed; however, because ART cannot definitively say that no data was accessed, ART is notifying every individual who had personal information in the database so that they can protect themselves from identity theft if they feel it is appropriate. While the investigation is ongoing, ART is unaware of any actual or attempted misuse of the information potentially viewed.

The information potentially exposed includes the following: name; address; Social Security number; ART account number; bank account information; date of birth; email address; telephone number; and ART login account ID and password.

Notice to New Hampshire Residents

One thousand twenty-nine (1,029) New Hampshire residents were potentially affected and were sent notice on November 26, 2014. A copy of the notice template is attached hereto as Exhibit A. In addition to providing notice of this event to affected individuals, ART has offered one (1) year of complimentary access to Experian's ProtectMyID product. This product offers credit monitoring through Experian; access to an identify theft restoration agent; as well as continued access to identify theft restoration services that can be extended indefinitely at no cost to the affected individual. ART has also provided access to a call center so that ART can quickly respond to inquiries from affected individuals.

Other Steps Taken and To Be Taken

The day of the attack, ART immediately launched an investigation and secured its systems by stopping access to the web application and bringing the web server down. Once ART was confident that the unauthorized access issue was fixed, ART brought the application back online. To assist with the investigation, ART engaged the services of an independent forensics expert, Kroll, Inc. ART has analyzed its systems and processes and implemented additional measures to secure this information. These additional measures include: all ART account passwords were automatically reset; a hardware upgrade with intrusion protection software that allows ART to block activity from suspicious IP addresses; increased web monitoring so that ART can respond quickly to any potential new security threats; and a thorough review and enhancement of application security. Since the database server was brought back online, ART has been monitoring and can confirm that the unauthorized individuals no longer have access to the system.

Additionally, ART is providing notice of this event to certain state regulators and law enforcement in accordance with various state notification laws, as well as the United States Secret Service.

Contact Information

Should you have any questions regarding this notification or other aspects of the data security event, please contact us at [REDACTED]

Very truly yours,

A handwritten signature in black ink, appearing to read "C. DiLenno". The signature is fluid and cursive, with a large initial "C" and a stylized "D".

Christopher DiLenno of
LEWIS BRISBOIS BISGAARD & SMITH LLP



Return Mail Processing Center
PO Box 6336
Portland, OR 97228-6336

<<First Name>><<Last Name>>
<<Address 1>>
<<Address 2>>
<<City>>,<<State>><<Zip>>

<<Date>>

Dear <<First Name>><<Last Name>>,

American Residuals and Talent, Inc. d/b/a ART Payroll ("ART"), a specialized payroll service in the advertising, entertainment and events production industry, has had a payment or benefit reporting relationship with you, either on-going or in the past. We are writing to notify you of a data security incident that may affect the security of your personal information.

On October 18, 2014, we detected an unauthorized login onto our web application. We worked immediately to contain the unauthorized access and prevent it from happening again. The unauthorized intruders had access to the database for less than two hours. We launched an investigation and retained outside forensic experts to confirm whether employee information may have been accessed. On November 10, 2014, our experts determined that your information may have been accessed by the intruders. While our investigation is ongoing, it is possible that none of your information was accessed or taken. We are unaware of any actual or attempted misuse of your information, but we are providing notice of this incident to you out of an abundance of caution. The information potentially accessed by the intruders includes your:

- Name
- Social Security number
- ART account number
- Address
- <<Bank account information>>
- <<Date of birth>>
- <<Email address>>
- <<ART account user ID and password>>
- <<Telephone number>>

We take the security of your personal information very seriously. In addition to launching an investigation into the matter and providing notice of this matter to you, we have analyzed our systems and processes and implemented additional measures to secure your personal information. We've provided notice to the major credit reporting agencies, and provided notice to certain state regulators and law enforcement officials. Additionally, we are offering you access to a complimentary one-year membership to Experian's® ProtectMyID® Alert. This service helps detect possible misuse of your personal information and provides you with superior identity protection support that is focused on immediate identification and resolution of identity theft.

Activate ProtectMyID Now in Three Easy Steps:

1. ENSURE **That You Enroll By: April 30, 2015** (Your code will not work after this date.)
2. VISIT the **ProtectMyID Web Site to enroll: www.protectmyid.com/alert**
3. PROVIDE **Your Activation Code: <<code>>**

If you have questions or need an alternative to enrolling online, please call 877-297-7780 and provide engagement #: **PC90398**. A credit card is not required for enrollment.

Once your ProtectMyID membership is activated, you will receive the following features:

- **Free copy of your Experian credit report.**
- **Surveillance Alerts for Daily Bureau Credit Monitoring for your Experian credit report.**
- **Identity Theft Resolution & ProtectMyID ExtendCARE:** Toll-free access to US-based customer care

and a dedicated Identity Theft Resolution agent who will walk you through the process of fraud resolution from start to finish for seamless service. They will investigate each incident; help with contacting credit grantors to dispute charges and close accounts including credit, debit and medical insurance cards; assist with freezing credit files; contact government agencies.

- To offer added protection, you will receive ExtendCARE™, which provides you with the same high-level of Fraud Resolution support even after your ProtectMyID membership has expired.
- **\$1 Million Identity Theft Insurance:**¹ Immediately covers certain costs including, lost wages, private investigator fees, and unauthorized electronic fund transfers.

Once your enrollment in ProtectMyID is complete, you should carefully review your credit report for inaccurate or suspicious items. If you have any questions about ProtectMyID, need help understanding something on your credit report or suspect that an item on your credit report may be fraudulent, please contact Experian's customer care team at 877-297-7780.

To further protect against possible identity theft or other financial loss, we encourage you to remain vigilant, to review your account statements, and to monitor your credit reports for suspicious activity. Under U.S. law, you are entitled to one free credit report annually from each of the three major credit bureaus. To order your free credit report, visit www.annualcreditreport.com or call, toll-free, 1-877-322-8228. You may also contact the three major credit bureaus directly to request a free copy of your credit report. At no charge, you can also have these credit bureaus place a "fraud alert" on your file that alerts creditors to take additional steps to verify your identity prior to granting credit in your name. Note, however, that because it tells creditors to follow certain procedures to protect you, it may also delay your ability to obtain credit while the agency verifies your identity. As soon as one credit bureau confirms your fraud alert, the others are notified to place fraud alerts on your file. Should you wish to place a fraud alert, or should you have any questions regarding your credit report, please contact any one of the agencies listed below. Information regarding security freezes is also available from these agencies.

Equifax
P.O. Box 105069
Atlanta, GA 30348
800-525-6285
www.equifax.com

Experian
P.O. Box 2002
Allen, TX 75013
888-397-3742
www.experian.com

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

You can also further educate yourself regarding identity theft, security freezes, and the steps you can take to protect yourself, by contacting the Federal Trade Commission. The Federal Trade Commission can be reached at: 600 Pennsylvania Avenue NW, Washington, DC 20580; www.ftc.gov/bcp/edu/microsites/idtheft/; 1-877-ID-THEFT (877-438-4338); and TTY: 866-653-4261. The Federal Trade Commission also encourages those who discover that their information has been misused to file a complaint with them. For North Carolina residents, you can obtain information about preventing identity theft from the North Carolina Attorney General's Office: the Attorney General can be contacted by mail at 9001 Mail Service Center, Raleigh, NC 27699-9001; toll-free at 1-877-566-7226; by phone at 1-919-716-6400; and online at www.ncdoj.gov. For Maryland residents, the Attorney General can be contacted at: 200 St. Paul Place, 16th Floor, Baltimore, MD 21202; (888) 743-0023; and www.oag.state.md.us. You can also obtain further information on how to file such a complaint by way of the contact information listed above. You should report known or suspected identity theft or fraud to law enforcement.

We apologize for any inconvenience or concern this incident may have caused. Should you have any questions about the content of this letter, enrollment in Experian's services or ways you can protect yourself from identity theft, please call our confidential inquiry line between 9 a.m. and 9 p.m. EST, Monday through Friday, and Saturday, November 29th, at 888-644-7473.

Sincerely,



Emily Erskine, President
American Residuals and Talent, Inc.

¹Identity theft insurance is underwritten by insurance company subsidiaries or affiliates of 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.