



October 4, 2013

The Honorable Joseph Foster
Office of the Attorney General
Attn: Security Breach Notification
33 Capitol Street
Concord NH 03301

Dear Mr. Attorney General:

To the extent required by Section 359-C:20(b) of the New Hampshire Revised Statutes , we are writing to notify you about an incident affecting information maintained by Executive Accounting Services, Inc. ("EAS") related to approximately 1 New Hampshire resident.

As detailed in the enclosed letter to potentially affected individuals, on September 17th, EAS received notices from several financial institutions regarding the compromise of certain accounts belonging to EAS's clients. At that time, EAS's information technology vendor confirmed to EAS that EAS's systems and servers had not been compromised. EAS later received additional information about suspicious activity on its network and continued its investigation into the incident. During the course of that continuing investigation, EAS learned that an unauthorized person had gained access to one of EAS's servers on September 13, 2013, and accessed personal information about some of EAS's clients.

EAS provides payroll and tax preparation services to certain businesses, and maintains personal information about the employees and subcontractors of these businesses in connection with these services. The following types of information about these employees and subcontractors may have been compromised during this incident: full names, social security numbers, physical addresses, checking account numbers, savings account numbers, email addresses, and telephone or cell phone numbers.

EAS takes its obligation to protect the privacy of personal information very seriously. During the course of EAS's ongoing investigation, EAS found the unauthorized point of entry and terminated the unauthorized access. EAS reported the incident to law enforcement. EAS also hired a digital forensic examiner to investigate the incident and to help ensure that EAS's systems are secure going forward. EAS is exploring all measures available to it to prevent any recurrence of this incident. Please note that EAS's investigation is ongoing.

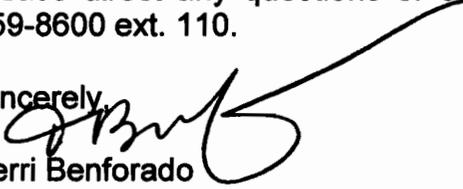


Executive Accounting Services, Inc.

The New Hampshire resident is being provided written notification pursuant to N.H. Rev. Stat. Ann. § 359-C:20 via U.S. mail on or about the date first written above. EAS will also notify the three national consumer reporting agencies (Experian, Equifax, and TransUnion) of the incident.

Please direct any questions or comments to me at terrib@easnc.com or 919-859-8600 ext. 110.

Sincerely,



Terri Benforado

President

Executive Accounting Services, Inc.

976 Trinity Road

Raleigh, NC 27607

terrib@easnc.com

919-859-8600 ext. 110

Enclosure: Data Incident Notification Letter – Employees of payroll and tax client.



Executive Accounting Services, Inc.

[Date]

[Affected Individual]

[Address 1]

[Address 2]

Re: Data Incident Notification

Dear **[Affected Individual]**:

We are writing to inform you of a recent incident involving personal information about you and to apprise you of the results of our continuing investigation regarding that incident.

We provide payroll and tax preparation services to **[insert name of business]** and maintain certain personal information about you in connection with providing these payroll and tax reporting services. We have discovered that there was an intrusion into our network that may have compromised personal information about you. Although we are not aware of any misuse of your information at this time, we have reason to believe that there have been attempts to misuse the compromised information of some of our other clients at financial institutions. We want to inform you about the situation and encourage you to take the steps below, including taking advantage of the credit monitoring and identity theft protection product we are providing to you at no charge.

The Incident

On September 17th, we received notices from several financial institutions regarding the compromise of certain accounts belonging to our customers. At that time, our information technology ("IT") vendor confirmed to us that our systems and servers had not been compromised. We later received additional information about suspicious activity on our network and continued our investigation into the incident. During the course of that continuing investigation we learned that an unauthorized person had gained access to one of our servers on September 13, 2013, and accessed personal information about some of our clients.



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This information may have included the following types of information about you: full name, social security number, physical address, checking account number, savings account number, email address, birthdate, passport, driver's license number and telephone or cell phone number.

We take our obligation to protect the privacy of personal information very seriously. During the course of our ongoing investigation we have found the unauthorized point of entry and terminated the unauthorized access. We have reported the incident to law enforcement. We have also hired a digital forensic examiner to investigate the incident and to help ensure our systems are secure going forward. We are exploring all measures available to us to prevent any recurrence of this incident. Please note that our investigation is ongoing. If we discover that the unauthorized person gained access to additional types of personal information about you, we will notify you of this development.

Steps You Can Take to Protect Your Information Against Misuse

We are offering you one year of credit monitoring and identity theft protection from Experian at our expense. Additional information and instructions about how to sign up for this offer are attached. Please contact us at the number listed below if you have any questions about this offer.

State law requires that we provide you with the following information regarding the steps you may take to protect yourself against potential identity theft. It is advisable to remain vigilant against the possibility of fraud and/or identity theft by monitoring your account statements and credit reports for unusual activity. If you notice unauthorized charges on your credit card statement, contact your credit card issuer immediately about the charges in question. In the event that you ever suspect that you are a victim of identity theft, you should report the incident to local law enforcement or the North Carolina Attorney General's Office.

Because your Social Security Number may have been involved, we recommend that you place a fraud alert on your credit files. A fraud alert requires potential creditors to use what the law refers to as "reasonable policies and procedures" to verify your identity before issuing credit in your name. A fraud alert lasts for 90 days. Just call or write one of the three consumer reporting agencies listed below. This will let you automatically place an alert with all of the agencies. You will receive letters from all three, confirming the fraud alert and letting you know how to obtain a free copy of your credit report from each. Furthermore, you can keep the fraud alert in place by calling again after 90 days.

When you receive your credit reports, look them over carefully. Look for accounts you did not open. Look for inquiries from creditors that you did not



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initiate. And look for personal information, such as home address and Social Security number, that is not accurate. If you see anything you do not understand, call the consumer reporting agency at the telephone number on the report. If you do find suspicious activity on your credit reports, call your local police or sheriff's office and file a police report of identity theft. Get a copy of the police report. You may need to give copies of the police report to creditors to clear up your records.

You also have the right to place a security freeze on your credit report. A security freeze is intended to prevent credit, loans, and services from being approved in your name without your consent; however, using a security freeze may delay your ability to obtain credit. Please note that if you wish to place a security freeze on your credit report with multiple consumer reporting agencies, you must directly contact each consumer reporting agency. For more information on how to obtain a security freeze, please visit www.ncdoj.gov.

Even if you do not find any signs of fraud on your reports, we recommend that you check your credit reports periodically. You should remain vigilant by reviewing your financial accounts and monitoring your credit reports. You may obtain a free copy of your credit report, whether or not you suspect any unauthorized activity on your account. You may obtain a free copy of your credit report at www.annualcreditreport.com, by calling 1-877-322-8228, or by contacting any one or more of the following national consumer reporting agencies:

| | | |
|------------------------|-----------------|--------------------------|
| Equifax | Experian | TransUnion |
| P.O. Box 740241 | P.O. Box 9532 | P.O. Box 6790 |
| Atlanta, GA 30374-0241 | Allen, TX 75013 | Fullerton, CA 92834-6970 |
| 1-800-525-6285 | 1-888-397-3742 | 1-800-680-7289 |

To obtain more information about preventing identity theft, you may contact the Federal Trade Commission or the North Carolina Attorney General's Office, at:

Federal Trade Commission
Consumer Response Center
600 Pennsylvania Avenue, NW
Washington, DC 20580
1-877-438-4338
www.ftc.gov

Consumer Protection Division
NC Attorney General's Office
9001 Mail Service Center
Raleigh, NC 27699-9001
1-877-566-7226
www.ncdoj.gov



Executive Accounting Services, Inc.

We remain committed to ensuring the privacy and security of personal information. If you have any concerns or questions about this matter or if you believe that personal information about you has been misused, please contact me at terrib@easnc.com or 919-859-8600 ext. 110.

Sincerely,

Terri Benforado

Terri Benforado
President
Executive Accounting Services, Inc.
976 Trinity Road
Raleigh, NC 27607
terrib@easnc.com
919-859-8600 ext. 110



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IDENTITY THEFT PREVENTION INFORMATION AND U.S. STATE DISCLOSURES

For residents of Hawaii, Maryland, Michigan, North Carolina, and Virginia: State law requires disclosure that you may obtain a copy of your credit report, free of charge, whether or not you suspect any unauthorized activity on your account. You may obtain a free copy of your credit report at www.annualcreditreport.com, by calling 877-322-8228, or by contacting any one or more of the following national consumer reporting agencies:

Equifax
P.O. Box 740241
Atlanta, GA 30374-0241
1-800-525-6285

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

TransUnion
P.O. Box 6790
Fullerton, CA 92834-6970
1-800-680-7289

For residents of Maryland: You may obtain information from the Maryland Office of the Attorney General about steps you can take to prevent identity theft:

Maryland Office of the Attorney General
Consumer Protection Division
200 St. Paul Place
Baltimore, MD 21202
1-888-743-0023
www.oag.state.md.us



Executive Accounting Services, Inc.

Experian Credit Monitoring and Identity Theft Protection Information

We are offering you one year of credit monitoring and identity theft protection from Experian at our expense. Please see the instructions below for more information about this offer and how to sign up.

ProtectMyID® Elite

If you choose to sign up for Experian's ProtectMyID Elite membership, you will receive the following features from Experian:

- **Free copy of your Experian credit report:** [(Please note that this is in addition to the annual free credit report you are entitled to receive from Experian.)]
- **Surveillance Alerts for:**
 - **Daily 3 Bureau Credit Monitoring:** Alerts of key changes & suspicious activity found on your Experian, Equifax®, and TransUnion® credit reports.
 - **Internet Scan:** Alerts if your personal information is located on sites where compromised data is found, traded or sold.
 - **Change of Address:** Alerts of any changes in your mailing address.
- **Identity Theft Resolution & ProtectMyID ExtendCARE:** Toll-free access to US-based customer care and a dedicated Identify 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.
 - **Identity theft can happen months and even years after a data breach. 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.**



Executive Accounting Services, Inc.

- **\$1 Million Identity Theft Insurance¹:** Immediately covers certain costs including, lost wages, private investigator fees, and unauthorized electronic fund transfers.
- **Lost Wallet Protection:** If you misplace or have your wallet stolen, an agent will help you cancel your credit, debit, and medical insurance cards.

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 877-441-6943.

To activate your ProtectMyID membership:

1. **ENSURE That You Enroll By: [December 31, 2013]** (Your code will not work after this date.)
2. **Visit the ProtectMyID Web Site to enroll: www.protectmyid.com/enroll**
Please contact Terri Benforado, President of Executive Accounting Services, Inc., at terri@easnc.com or 919-859-8600 ext. 110 for your code.

**If you need help signing up for the above service please contact:
Experian's customer care team at 877-441-6943.**

¹ Identity 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.