

November 12, 2010

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

Dear Attorney General Delaney:

I am writing on behalf of Hanger Orthopedic Group, Inc., to provide notice of a recent data security incident.

On or near November 4, 2010, a laptop containing information about certain Hanger Orthopedic Group, Inc. employees was stolen from an employee in our Human Resources Department. The laptop had on it several human resource related files, which unfortunately we believe may have contained certain personal information, including employee names, addresses, and social security numbers. While the laptop was password protected, not all the information it contained was encrypted. The theft was promptly reported to local law enforcement, and they are investigating the incident.

Approximately 9 New Hampshire residents are potentially affected by this incident. Although Hanger Orthopedic Group, Inc. has no evidence of anyone actually assessing or viewing their personal information, we are notifying those residents pursuant to New Hampshire law so that they are aware of the situation and can take appropriate measures to protect themselves should they suspect that someone is improperly using their personal information. A copy of the notice letter is attached for your reference.

Should you have further questions about this matter, please contact Hanger Orthopedic Group, Inc. at (866) 252-9553.

Sincerely,



Julie H. Kim

[Date]

[Employee]

[Address]

[Address]

Important Security and Protection Notification.

Please read this entire letter.

Dear _____:

We are writing to inform you that recently a laptop containing information about certain Hanger Orthopedic Group, Inc. employees was stolen from an employee in our Human Resources Department. The laptop had on it several human resource related files, which unfortunately we believe may have contained certain personal information about you, including your name, address, and social security number. While the laptop was password protected, not all the information it contained was encrypted. The theft was promptly reported to local law enforcement, and they are investigating the incident.

As of this date, we have received no indication that your information has been or will be misused. Nonetheless, we take this incident seriously and are committed to assuring the security of your data. Out of an abundance of caution, in order to help you detect the possible misuse of your information, we are providing you, at no cost, with a one-year membership in ProtectMyID from ConsumerInfo.com, Inc., an Experian company, to provide you with credit monitoring services and in depth assistance in identity theft protection. **Please see the enclosure to learn more about these services and about important enrollment instructions.**

Even if you choose not to enroll in the free credit monitoring service, we strongly encourage you to remain vigilant and actively monitor your financial accounts and free credit reports that are available to you. Information regarding additional steps you can take to help prevent identity theft related fraud is included on the back of the enclosure. You should report any suspected identity theft to us and to appropriate law enforcement officials.

We sincerely apologize for any inconvenience this theft may cause you. Please be assured that we are taking steps to help prevent a similar occurrence, and we stand ready and willing to help you. If you have any questions about this incident please call (866) 252-9553.

Sincerely,

Thomas E. Hartman
Vice President & General Counsel

INFORMATION REGARDING PROTECTMYID FROM EXPERIAN

First step: activate your complete credit monitoring product from Experian.

To activate your complimentary one year membership in ProtectMyID from Experian, visit the website listed below and enter your individual activation code. If you prefer, you can enroll on the phone by speaking with Experian Customer Care representatives toll-free at (877) 441-6943.

ProtectMyID Web Site: www.protectmyid.com/enroll

Your Activation Code: [Activation Code]

You Must Enroll By: February 15, 2011

As soon as you enroll in your complimentary ProtectMyID membership, Experian will begin to monitor your credit reports from Experian, Equifax[®] and TransUnion[®] on a daily basis and notify you of key changes. This powerful tool will help you identify potentially fraudulent use of your information, and provide you with immediate assistance from a dedicated team of fraud resolution representatives should you ever need help.

Your complimentary 12-month ProtectMyID membership includes:

- A free copy of your Experian credit report
- Daily monitoring and timely alerts of any key changes to your credit reports—so you know when there is any activity that you should be made aware of such as notification of new inquiries, newly opened accounts, delinquencies, public records or address changes
- Daily scanning of the internet of your social security, credit card, and debit card information to better protect you from potential fraud
- Monitoring of your address changes to minimize the threat of mail fraud
- Assistance with cancellation of your credit and debit cards
- Toll-free access to a dedicated team of fraud resolution representatives who will help you investigate each incident; contact credit grantors to dispute charges, close accounts if necessary, and compile documents; and contact all relevant government agencies
- \$1 Million Insurance policy- if you become a victim of identity theft while a member, you may be reimbursed up to \$1 million for costs such as lost wages, private investigator fees, and unauthorized electronic fund transfers.*

**Activate your membership today for immediate protection at www.protectmyid.com/enroll
Or call (877) 441-6943 to register with this activation code: [activation code]**

You have until February 15, 2011 to activate this membership, which will then continue for 12 full months.

Once your enrollment in ProtectMyID is complete, you should carefully review your credit reports for inaccurate or suspicious items. If you have 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 at (877) 441-6943.

*Identity theft insurance is underwritten by insurance company subsidiaries or affiliates of Chartis Inc. 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.

IMPORTANT STEPS TO HELP PREVENT FRAUD

1. **Carefully review your banking, credit card and other account statements and report any unauthorized transactions.** You should regularly review your accounts to look for unauthorized or suspicious activity. You may also want to notify your financial institution(s) and credit card companies that you received this notice. This will tell them that your information may have been viewed or accessed by an unauthorized party.
2. **Contact the fraud department at the three major credit bureaus listed below and ask them to place a “fraud alert” on your credit file.** A fraud alert tells creditors to contact you before they open any new credit accounts or change your existing accounts. To place a fraud alert on your credit file, contact one of the three national credit bureaus at the numbers provided below.

Equifax Fraud Division
1-800-525-6285
www.fraudalerts.equifax.com
P.O. Box 740250
Atlanta, GA 30374

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

Trans Union
1-800-680-7289
www.transunion.com
P.O. Box 6790
Fullerton, CA 92834

3. **Obtain a copy of your credit report from each of the three major credit reporting agencies and review them to be sure they are accurate and include only authorized accounts.** You are entitled to one free copy of your report every 12 months. To order your report, visit www.annualcreditreport.com, or call toll-free (877) 322-8228, or complete an Annual Credit Report Request Form and mail to: Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348-5281 (you can print a copy of the request form at <http://www.ftc.gov/bcp/menus/consumer/credit/rights.shtm>). Carefully review your credit reports to verify that your name, address, account, and any other information are accurate and notify the credit reporting agencies of any errors you detect, and about any accounts you did not open or inquiries from creditors you did not initiate. In addition to your free credit report, you can also purchase a copy of your credit report by contacting one of the three national credit reporting companies listed above.
4. **Contact the Federal Trade Commission (“FTC”) to obtain additional information about how to protect against identity theft.** The FTC is a good resource for general questions about identity theft.

Federal Trade Commission
Consumer Response Center
600 Pennsylvania Avenue, NW
Washington, DC 20580
1-877-ID-THEFT (438-4338)
www.ftc.gov/bcp/edu/microsites/idtheft/

5. **You may also 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 when you initiate a freeze.** Since the instructions for how to establish a credit freeze differ from state to state, please contact the three major credit bureaus using the information below to find out more.

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

Trans Union Security Freeze
P.O. Box 6790
Fullerton, CA 92834
www.transunion.com

6. **We recommend that you remain vigilant and report any suspected identity theft or other misuse of personal information immediately to the proper law enforcement authorities.** You have the right to obtain a police report if you are the victim of identity theft.