PHH Corporation

PHH

3000 Leadenhall Road
Mt. Laurel, NJ 08054

May 10, 2013

New Hampshire Attorney General
Michael A. Delaney
33 Capitol Street
Concord, NH 03301

Dear Mr. Delaney:

In accordance with N.H. Rev. Stat. Ann. § 359-C:20, I am writing to provide you with notification regarding the nature and circumstances of a recent data security incident.

On April 3, 2013, PHH Corporation ("PHH") learned that a temporary worker placed at a PHH location had been indicted in connection with identity fraud unrelated to the work performed at PHH. The individual is no longer working at PHH. Because the temporary worker had access to personal information of certain PHH current and former employees and applicants, as well as some of the employees' emergency contacts, PHH promptly initiated a review of the individual's access to this information. PHH has reported the incident to law enforcement authorities and is cooperating with them to investigate the issue.

PHH determined that the temporary worker may have accessed (while performing normal job responsibilities) personnel records that contained names, addresses, email addresses, telephone numbers, dates of birth, Social Security numbers, I-9 alien registration numbers, and ID numbers assigned to employees by PHH. Based on the investigation, PHH has no evidence that the temporary worker misused this data. PHH continues to take steps to help prevent this type of issue from reoccurring, including enhancing some of its policies surrounding temporary employees and access to data.

PHH is notifying 62 New Hampshire residents about this incident. Attached for your reference is a copy of the notice PHH is sending to these individuals. If you have any questions, please call William F. Brown, General Counsel of PHH, at 856-917-0903.

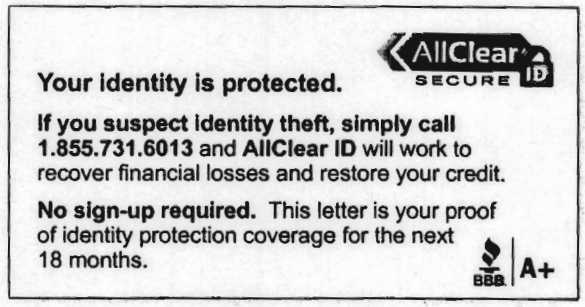
Very truly yours,

Glen A. Messina
President and CEO
PHH Corporation

Enclosure

PHH Corporation

Processing Center · P.O. Box 3825 · Suwanee, GA 30024



John Q Sample
123 Main Street
Anytown, US 12345-6789

Dear John Q Sample,

We are writing to let you know that, on April 3, 2013, we learned that a temporary worker placed at a PHH Corporation ("PHH") location had been indicted in connection with identity fraud unrelated to the work performed at PHH. The individual is no longer working at PHH. Because the temporary worker had access to personal information of certain PHH current and former employees and applicants, we promptly initiated a review of the individual's access to this information. We are cooperating with law enforcement authorities to investigate the issue.

Based on our analysis, the temporary worker may have accessed (while performing normal job responsibilities) personal information including names, addresses, email addresses, telephone numbers, dates of birth, Social Security numbers, I-9 alien registration numbers and ID numbers assigned to employees by PHH. Not all of these data elements were present in each personnel record. Based on our investigation, we have no evidence that the temporary worker misused the data. Because your personal information was contained in the personnel records to which this person had access, we wanted to advise you of the situation so you can take steps to help protect your information. We also think it prudent to offer you identity protection services at no charge to you through AllClear ID. These services will be available to you until November 15, 2014. We encourage you to avail yourself of these services.

We take our obligation to safeguard your personal information very seriously. We continue to take steps to help prevent this type of incident from reoccurring, including enhancing some of our policies surrounding temporary employees and access to data. We encourage you to read the attached Reference Guide, which provides details on how to sign up for the identity protection services and other steps you may wish to consider, including recommendations by the U.S. Federal Trade Commission on the protection of your personal information.

We encourage you to remain vigilant by reviewing your account statements and monitoring your free credit reports. You are entitled under U.S. law to one free credit report annually from each of the three national credit bureaus. To order your free credit report, visit www.annualcreditreport.com or call toll-free at 1-877-322-8228. You may also wish to place a fraud alert or security freeze on your credit file.

If you have any further questions, please call 1-855-731-6013 from 9:00 a.m. to 9:00 p.m. Eastern Standard Time, Monday through Saturday. Please note that the assistance line temporarily will be unavailable on Saturday, May 18, 2013 from 1:00 p.m. to 9:00 p.m. Eastern Standard Time.

Again, we regret any concern this event may cause you. Please know that we continue to take steps to help protect your personal information.

Sincerely,

Glen A. Messina
President and CEO
PHH Corporation

Reference Guide

We encourage individuals receiving PHH's letter to take the following steps:

Register for Identity Protection Services. As an added precaution, we have arranged to have AllClear ID protect your identity for 18 months at no cost to you. The following identity protection services start on the date of this notice and you can use them at any time during the next 18 months.

AllClear SECURE: You are automatically eligible to use this service – there is no action required on your part. If a problem arises, simply call 1-855-731-6013 and a dedicated investigator will assist you to help recover financial losses, restore your credit and make sure your identity is restored.

AllClear PRO: This service offers additional layers of protection including credit monitoring and a $1 million identity theft insurance policy. To use the PRO service, you will need to provide certain information to AllClear ID and use the following redemption code **9999999999**. You may sign up online at enroll.allclearid.com, by postal mail using the enclosed mail-in registration form, or by phone at 1-855-731-6013. Additional steps may be required by you to activate your phone alerts and monitoring options. Mailed registrations may take up to 10 business days before the registration is received and you are able to log in to your account.

Order Your Free Credit Report. To order your free credit report, visit www.annualcreditreport.com, call toll-free at 1-877-322-8228, or complete the Annual Credit Report Request Form on the U.S. Federal Trade Commission's ("FTC") website at www.ftc.gov and mail it to Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348-5281. The three credit bureaus provide free annual credit reports only through the website, toll-free number or request form.

When you receive your credit report, review it carefully. Look for accounts you did not open. Look in the "inquiries" section for names of creditors from whom you haven't requested credit. Some companies bill under names other than their store or commercial names. The credit bureau will be able to tell you when that is the case. Look in the "personal information" section for any inaccuracies in your information (such as home address and Social Security number). If you see anything you do not understand, call the credit bureau at the telephone number on the report. Errors in this information may be a warning sign of possible identity theft. You should notify the credit bureaus of any inaccuracies in your report, whether due to error or fraud, as soon as possible so the information can be investigated and, if found to be in error, corrected. If there are accounts or charges you did not authorize, immediately notify the appropriate credit bureau by telephone and in writing. Credit bureau staff will review your report with you. If the information can't be explained, then you will need to call the creditors involved. Information that can't be explained also should be reported to your local police or sheriff's office because it may signal criminal activity.

Contact the U.S. Federal Trade Commission. If you detect any unauthorized transactions in your financial account, promptly notify your payment card company or financial institution. If you detect any incident of identity theft or fraud, promptly report the incident to your local law enforcement authorities, your state Attorney General and the FTC. If you believe your identity has been stolen, the FTC recommends that you take these additional steps:

- Close the accounts that you have confirmed or believe have been tampered with or opened fraudulently. Use the FTC's ID Theft Affidavit (available at www.ftc.gov/idtheft) when you dispute new unauthorized accounts.
- File a local police report. Obtain a copy of the police report and submit it to your creditors and any others that may require proof of the identity theft crime.

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You can contact the FTC to learn more about how to protect yourself from becoming a victim of identity theft:

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

Place a Fraud Alert on Your Credit File. To protect yourself from possible identity theft, consider placing a fraud alert on your credit file. A fraud alert helps protect you against the possibility of an identity thief opening new credit accounts in your name. When a merchant checks the credit history of someone applying for credit, the merchant gets a notice that the applicant may be the victim of identity theft. The alert notifies the merchant to take steps to verify the identity of the applicant. You can place a fraud alert on your credit report by calling any one of the toll-free numbers provided below. You will reach an automated telephone system that allows you to flag your file with a fraud alert at all three credit bureaus.

Equifax	Equifax Information Services LLC P.O. Box 105069 Atlanta, GA 30348-5069	1-800-525-6285	www.equifax.com
Experian	P.O. Box 9532 Allen, Texas 75013	1-888-397-3742	www.experian.com
TransUnion	Fraud Victim Assistance Division P.O. Box 6790 Fullerton, California 92834-6790	1-800-680-7289	www.transunion.com

Place a Security Freeze on Your Credit File. You may wish to place a "security freeze" (also known as a "credit freeze") on your credit file. A security freeze is designed to prevent potential creditors from accessing your credit file at the credit bureaus without your consent. There may be fees for placing, lifting, and/or removing a security freeze, which generally range from $5-$20 per action. Unlike a fraud alert, you must place a security freeze on your credit file at each credit bureau individually. For more information on security freezes, you may contact the three nationwide credit bureaus or the FTC as described above. Since the instructions for establishing a security freeze differ from state to state, please contact the three nationwide credit bureaus to find out more information.

The credit bureaus may require proper identification prior to honoring your request. For example, you may be asked to provide:

- Your full name with middle initial and generation (such as Jr., Sr., II, III)
- Your Social Security number
- Your date of birth
- Proof of your current residential address (such as a current utility bill)
- Addresses where you have lived over the past five years
- A legible copy of a government-issued identification card (such as a state driver's license or military ID card)

For Maryland Residents. You can obtain information from the Maryland Office of the Attorney General about steps you can take to avoid identity theft. You may contact the Maryland Attorney General at:

Maryland Office of the Attorney General
Consumer Protection Division
200 St. Paul Place
Baltimore, MD 21202
(888) 743-0023 (toll-free in Maryland)
(410) 576-6300
www.oag.state.md.us

For Massachusetts Residents. The credit bureaus may charge you a fee of up to $5 to place a security freeze on your account, and may require that you provide certain personal information (such as your name, Social Security number, date of birth, and address) and proper identification (such as a copy of a government-issued ID card and a bill or statement) prior to honoring your request. There is no charge, however, to place, lift or remove a security freeze if you provide the credit bureaus with a valid police report. You have the right to obtain a police report if you are the victim of identity theft.

For North Carolina Residents. You can obtain information from the North Carolina Attorney General's Office about preventing identity theft. You can contact the North Carolina Attorney General at:

North Carolina Attorney General's Office
9001 Mail Service Center
Raleigh, NC 27699-9001
(877) 566-7226 (toll-free in North Carolina)
(919) 716-6400
www.ncdoj.gov

AllClear ID
ALERT NETWORK

Register for AllClear ID Protection

ALLCLEAR ID CORPORATE ADDRESS
823 CONGRESS AVE, SUITE 300 –AUSTIN, TX 78701

ALLCLEAR ID MAIL PROCESSING CENTER
P.O. BOX 3356 – SUWANEE, GA 30024-9847

To register by mail, complete this form and mail to **AllClear ID** at the address above.
You do not need to complete this form if you register online at enroll.allclearid.com or by phone at (855) 731-6013.

INSTRUCTIONS:

- **Fill in your personal information.** All fields are required unless specified otherwise. Please provide at least one phone number.
- **To register additional family members**, please use a separate form. **To register a minor** under 18 years old, please provide information for the parent or legal guardian. Correspondence concerning a minor will be addressed to the parent or legal guardian.
- If you have an **AllClear ID** Redemption Code or Promotion Code, enter it at the top of the Registrant Personal Information Section.

Please **PRINT CLEARLY** in **BLACK INK** within the boxes.
Shade the bubbles completely. Correct: ● Incorrect: ⊗ ⊘

A B C D E 0 1 2 3 . _ –

ADDRESS INFORMATION

Please do not write in this section. Please use the "Change of Address" section to make corrections.

John Q Sample
123 Main Street
Anytown, US 12345-6789

REDEMPTION CODE: 9999999999

REGISTRANT PERSONAL INFORMATION

GENDER
O **MALE**
O **FEMALE**

DATE OF BIRTH (MM/DD/YYYY) / /

SOCIAL SECURITY NUMBER (Required) – –

MOBILE PHONE NUMBER – –

HOME PHONE NUMBER – –

WORK PHONE NUMBER – –

EMAIL ADDRESS (For Online Account Access)

PARENT/ LEGAL GUARDIAN INFORMATION (If Registering a Minor)

FIRST NAME

MIDDLE

LAST NAME

SUFFIX

GENDER
O **MALE**
O **FEMALE**

DATE OF BIRTH (MM/DD/YYYY) / /

SOCIAL SECURITY NUMBER (Required) – –

MOBILE PHONE NUMBER – –

HOME PHONE NUMBER – –

WORK PHONE NUMBER – –

EMAIL ADDRESS (For Online Account Access)

CHANGE OF NAME OR ADDRESS (Optional)

FIRST NAME

MIDDLE

LAST NAME

SUFFIX

RESIDENCE ADDRESS LINE 1

RESIDENCE ADDRESS LINE 2 (Optional)

CITY

STATE

ZIP

By registering for AllClear ID, I agree to the AllClear ID End User License Agreement (enclosed) and I authorize AllClear ID, who provides Identity Theft Protection, and its service providers to obtain and monitor my own credit information from credit reporting agencies and send this information to me alone for my own use. I certify that I am the parent/legal guardian of any children that I register for the AllClear ID service. *Please note that additional action after registration may be required by you in order to activate your phone alerts and monitoring options. Mailed registrations may take up to ten (10) business days before the registration is received and you are able to log-in to activate these features.*

Under federal law, you have the right to receive a free copy of your credit report once every twelve months from each of the three national consumer reporting agencies. To request your free annual report under that law, visit www.annualcreditreport.com or call (877) 322-8228.

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End User Services Agreement

This agreement ("Agreement") is made by & between **AllClear ID, Inc.**, formerly "Debix" ("**AllClear ID**"), having an address of 823 Congress Avenue, Ste. 300, Austin, TX 78701, & you ("**you**"). As of the date you register for or enroll in the Service, the parties agree as follows:

1. **Definitions.** The "**Service**" means the Premium Service and/or the Basic Service, for which you enroll, as the case may be, determined in accordance with your registration & the terms hereof. The "**Premium Service**" is one of the following, depending on your election at registration: (i) AllClear ID Pro (ii) AllClear ID Plus (iii) AllClear ID Guarantee. A Premium Service may include a Service that a third party is purchasing for you on your behalf, i.e. it may be free to you but still a Premium Service. The "**Basic Service**" is AllClear ID Basic and is provided at no cost. References to the Service include any use you make of the interface available at www.debix.com or www.allclearid.com (collectively, the "**Site**").

2. **Provision of the Service.** AllClear ID will provide you with the Service you elected at registration subject to the terms and conditions of this Agreement. A detailed description of the Service for which you are registered can be found in your profile which may be accessed by logging into the Site. **Term & Termination Re: Basic Service.** Your subscription to the Basic Service commences upon your registration, covers identity theft events *occurring* after registration, & terminates upon the earlier of (i) AllClear ID's notification to you of its discontinuance of the Basic Service offering, (ii) AllClear ID's election to terminate your Basic Service if you do not opt-in at the end of the then-current subscription period, or (iii) your election to terminate your subscription to the Basic Service, each of which may occur at any time.

3. **Subscription Fee.** The subscription fee for the Premium Service, if applicable, will be billed at the retail price currently in effect, at a previously approved & agreed-upon pricing, or in accordance with the applicable promotion code on the Site & according to the terms described herein. If you have questions regarding your fee, please contact customer service toll free at the applicable phone number listed above. AllClear ID will continue to bill your payment method on a periodic basis until the expiration or termination of your Premium Service. You may cancel your subscription for the Premium Service (if any) for which you have registered in accordance with Section 7. If you pay monthly & wish to cancel, you must call Customer Service prior to the start of the following month. If you pay for multiple months in advance & cancel your Premium Service prior to the end of the period for which you have paid, AllClear ID will refund payment for only any full, unused months. If someone has paid on your behalf and you cancel, you will not receive a refund.

4. **Free Trial.** If you receive a Premium Service as the result of a third party procuring it for you on your behalf, this Section is not applicable to you. If you are subscribing to a Premium Service on your own behalf, it may start with a free trial period. If you do not cancel before the end of such free trial period, you agree that AllClear ID is authorized to charge you a monthly subscription fee for such Premium Service at the current rate to the payment method you provided during registration. You must provide a valid payment method to enroll in any free trial. AllClear ID will begin billing your payment method for monthly subscription fees at the end of the free trial period, unless you cancel prior to the end of the free trial period. You will not receive a notice from us that your free trial period has ended or that the paying portion of your subscription has begun. **If you cancel prior to the end of your free trial period, there will be no charges to your payment method.**

5. **Scope of Coverage; Term & Termination of Premium Service.** If you are a subscriber to a Premium Service, your subscription to such Premium Service commences upon your registration. Additional action may be required by you after registration in order to activate your phone alerts and monitoring options. Failure to activate or use an available feature of the Service does not affect the cost of the Service. The Premium Service covers identity theft events discovered after registration. If a third party has procured the Premium Service on your behalf, your subscription to the Premium Service will terminate at the end of the term specified during registration, unless you opt to re-enroll. If you are subscribing to a Premium Service on your own behalf, then at the end of your initial subscription period, your subscription will automatically renew on a month to month basis until you terminate it in accordance with this Section or fail to provide payment when due. In addition, the Premium Service may be terminated or suspended at any time with or without notice if payment is not received when due or if you breach any of the terms & conditions set forth herein. If your subscription to the Premium Service expires because you fail to renew it or fail to provide payment when due, AllClear ID may convert you to the Basic Service for one (1) year, subject to the terms & conditions applicable to the Basic Service as set forth herein. If you transfer from one Service to another, the terms and description of such newly elected Service will apply. In the event that you elect to transfer to a new Service, you will forfeit any remaining entitlement in your previous Service. Notwithstanding the foregoing, if you are affected by two separate incidents from the same source company, your newly elected Service will continue after the term of your previous Service, with no forfeiture.

6. **Restrictions.** You will use any Service only for your benefit & for its intended purpose. You will not permit any third party to: (a) except as expressly set forth in this Agreement, use, copy, modify, create derivative works of, distribute, sell, sublicense, or transfer the Service; (b) remove or alter any AllClear ID notices or markings, or add any other notices or markings within the Service; (c) decrypt or attempt to decrypt the Service; (d) derive or attempt to derive the source code of or decompile the Service; or (e) disassemble or reverse engineer the Service. If statutory rights make any part of this section void, you will provide AllClear ID with detailed information regarding any such activity.

7. **Ownership.** This Agreement confers no ownership rights to you & is not a sale of rights in the Service. Ownership of all right, title, & interest in or to the Service & all Feedback & all intellectual property rights embodied therein are & will remain AllClear ID's exclusive property. You will take all reasonable actions to perfect such ownership, including without limitation executing instruments of assignment. AllClear ID reserves all rights in the Service & the intellectual property rights embodied therein not expressly granted hereby. The Service contains AllClear ID proprietary & confidential information. You will hold such information in confidence & not use or disclose it in any way except as expressly permitted hereunder, using no less than reasonable care. If you provide feedback &/or generate data in using the Service ("**Feedback**"), except to the extent set forth in our Privacy Policy you hereby assign all right, title, & interest therein to AllClear ID. If such assignment is ineffective, you agree to grant to AllClear ID a non-exclusive, perpetual, irrevocable, royalty free, worldwide license to use, reproduce, sublicense, distribute, modify, & otherwise exploit such Feedback without restriction.

8. **Support.** In connection with the Service, AllClear ID will provide the support specified on the Site from time to time.

9. **Disclaimer of Warranties.** ALL SERVICES ARE PROVIDED TO YOU "AS IS," WITHOUT WARRANTY, & ALL WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING WITHOUT LIMITATION THE WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PURPOSE, NON-INTERFERENCE, ACCURACY, & NON-INFRINGEMENT ARE DISCLAIMED. ALLCLEAR ID DOES NOT WARRANT THAT THE SERVICE WILL OPERATE WITHOUT INTERRUPTION, BE ERROR-FREE, OR ACHIEVE SPECIFIC RESULTS. THE SERVICE IS NOT A CREDIT COUNSELING SERVICE. ALLCLEAR ID DOES NOT PROMISE TO HELP YOU IMPROVE YOUR CREDIT RECORD, HISTORY, OR RATING.

10. **Authorization.** You authorize AllClear ID & its service providers to obtain & monitor your own information from credit reporting agencies and/or other monitoring services & send this information to you for your own use. You agree that this authorization shall constitute written instructions to obtain your credit information in accordance with the Fair Credit Reporting Act. If AllClear ID is unable to process the credit monitoring request, AllClear ID will make a reasonable effort to contact you. You certify that you have the express consent of all adults that you register to submit their information to AllClear ID with the intent to utilize the Service & to agree to this Agreement on their behalf. You also certify that each adult that you register for the Service has read & accepted the terms & conditions of this Agreement, and authorizes AllClear ID, & its service providers, to obtain & monitor his or her own credit information from credit reporting agencies & send this information to him or her alone for his or her own use. You agree that this authorization shall constitute written instructions to obtain his or her credit information in accordance with the Fair Credit Reporting Act. You certify that you are the parent/legal guardian of any and all children that you register for the Service. Information that AllClear ID collects from you will be treated in accordance with the AllClear ID Privacy Policy: https://www.allclearid.com/legal/privacy-policy.

11. **Limitation of Liability.** ALLCLEAR ID WILL NOT BE LIABLE FOR INDIRECT, SPECIAL, CONSEQUENTIAL, OR INCIDENTAL DAMAGES (INCLUDING WITHOUT LIMITATION COST OF COVER), EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. ALLCLEAR ID SHALL NOT BE LIABLE FOR ANY 3RD PARTY CLAIMS. OUR CUMULATIVE LIABILITY WILL BE LIMITED TO WHAT WAS PAID BY YOU OR ON YOUR BEHALF FOR THE SERVICE IN THE 12 MONTHS BEFORE THE CLAIM. THIS SECTION IS A FUNDAMENTAL PART OF THE BASIS OF OUR BARGAIN, WITHOUT WHICH ALLCLEAR ID WOULD NOT BE ABLE TO PROVIDE THE SERVICE, & WILL APPLY DESPITE THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. If some or all of the limitations & exclusions in Sections 11 & 13 are held unenforceable, warranties will be disclaimed, & AllClear ID's liability will be limited to the greatest extent permitted under applicable law.

12. **Compliance with Law.** You warrant that in using the Service, you will comply with all applicable laws, including without limitation with all regulations of agencies of the U.S. Government regarding export & re-export restrictions. You will hold harmless & defend, at our option, AllClear ID from any third party claim against AllClear ID arising from your failure to comply with this Agreement.

13. **Termination Procedure.** AllClear ID may require reasonable identification verification before completing any request to terminate the Agreement or to cancel the Service.

14. **General. Any notice hereunder will be in writing & sent by mail, return receipt requested, by e-mail, or by reputable courier addressed to the other party (i) if to AllClear ID, the address set forth above or at support@allclearid.com & (ii) if to you, at the address or e-mail address you provide when you register for the Service, or at such other address of which you give notice in accordance with this provision. It is your responsibility to keep your contact information up to date. Notice will be deemed to have been given when delivered (as confirmed by receipt or other confirmation) or, if delivery is not accomplished by fault of the addressee, when tendered. This Agreement will be governed by the laws of Texas, without regard to conflict of laws. The U.N. Convention on Contracts for the International Sale of Goods does not apply. All disputes will be brought only in a court located in Travis County, TX, & to the fullest extent permitted under applicable law, you consent to the same as the exclusive jurisdiction for claims arising hereunder & waive any objection to venue of such courts. If any provision hereof is held unenforceable, the remaining provisions will be unaffected. Your rights may not be assigned without written consent by AllClear ID. AllClear ID may assign this Agreement. Failure or delay in enforcing this Agreement will not be deemed a waiver. This Agreement constitutes the entire agreement between the parties & supersedes all prior or contemporaneous agreements with respect to its subject matter. This Agreement may not be amended except in writing or a subsequent click to accept or telephonic method offered by AllClear ID. Certain businesses not affiliated with AllClear ID may display the AllClear ID or AllClear Guarantee logo and offer access to the AllClear ID service. Such use or offers should not be construed, in any respect, as an endorsement or guarantee by AllClear ID of the security practices of such businesses.** Upon any termination or expiration of this Agreement, all terms will cease, except Sections 5 - 14, which survive.