



STATE OF NH
DEPT OF JUSTICE
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Melissa K. Ventrone
P 312.580.2219
F 312.580.2201
mventrone@thompsoncoburn.com

September 27, 2016

Attorney General Joseph Foster
Office of the Attorney General
33 Capitol Street
Concord, NH 03302

Dear Attorney General Foster:

We represent Santoro CPA and SimpleBooks Corp. ("SimpleBooks") with respect to a recent security incident involving the potential exposure of certain personally identifiable information described in more detail below. Santoro CPA and SimpleBooks are small companies owned by Charlie Santoro which provide accounting, financial consulting, tax preparation and bookkeeping services to their clients.

1. Nature of security incident.

On July 21, 2016, Santoro CPA became aware of a possible data incident involving its clients after a small number reported communications from the IRS for returns they had not filed. As a result of this incident, Santoro CPA pre-emptively notified those individuals Santoro CPA believed at the time were possibly impacted by this incident. A letter was sent to your office informing you of this incident. Santoro CPA also hired a third-party computer forensics firm to analyze the server to determine whether an unauthorized user had gained access to it, and the extent of any unauthorized access.

Santoro CPA and SimpleBooks use an external IT/hosting provider to host business software, programs, and documents. The IT/hosting provider initially stated that the two companies were hosted on separate virtual servers, and neither company could access the other's data.

On August 19th, 2016, the third-party computer forensic firm informed Santoro CPA and SimpleBooks that the servers were not separated, and it appeared both servers had been accessed by an unauthorized individual, and such access was more expansive than previously believed. This access included additional Santoro files and SimpleBooks files possibly containing customer information. Such data included customer names, addresses, Social Security numbers, and payroll information.

2. Number of New Hampshire residents affected.

One (1) New Hampshire resident was affected by the incident. Notification letters were mailed to the impacted individual on September 27, 2016 via regular mail. Enclosed please find a copy of the notification letter.

3. Steps you have taken or plan to take relating to the incident.

Santoro CPA and SimpleBooks are taking steps to further increase the security of information in their systems, including working to migrate company data to a new IT provider. Santoro and SimpleBooks have also informed the IRS and the credit reporting agencies about this incident. Additionally, Santoro CPA and SimpleBooks have offered 2 years of credit monitoring and identity theft protection through Kroll to their clients at no cost to them.

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4. Contact information.

Santoro CPA and SimpleBooks remain dedicated to protecting the sensitive information in their systems. If you have any questions or need additional information, please do not hesitate to contact me at MVentrone@ThompsonCoburn.com or (312) 580-2219.

Very truly yours,

Thompson Coburn LLP

A handwritten signature in black ink, appearing to read "M K Ventrone", with a long horizontal flourish extending to the right.

Melissa K. Ventrone

Enclosures