



Magnolia Health Corporation
999 North M Street, Tulare, CA 93274
(559) 688-0288 Fax (559) 688-0289
www.magnoliahealthcorporation.com

February 12, 2016

«First» «Last»
«Address_1»
«City», «ST» «Zip»

NOTICE OF DATA BREACH

Dear «First»,

We regret to inform you of an incident that has occurred involving your personal information.

WHAT HAPPENED

On February 3, 2016 an unidentified third person impersonated our CEO, Kenny Moyle, and using what appeared to be his email address, obtained certain personal information for all active employees of Magnolia Health Corporation (MHC) and each of the facilities managed by MHC [Twin Oaks Assisted Living, Inc., Twin Oaks Rehabilitation And Nursing Center, Inc., Porterville Convalescent, Inc., Kaweah Manor, Inc. and Merritt Manor, Inc.]. It was not until February 10, 2016 that we realized that this information had not been requested by anyone at MHC and that it had been disclosed to an unauthorized third person whose identity is presently unknown.

WHAT INFORMATION WAS INVOLVED

The personal information disclosed was in the form of an Excel spreadsheet that contained the following identifying information for each person: Employee Number, Name, Address, City, State, Zip, Sex, Date of Birth, Social Security Number, Hire Date, Seniority Date, Salary/Hourly, Salary/Rate, Department, Job Title, Last Date Paid, and [name of applicable] Facility.

WHAT WE ARE DOING

We have reported this matter to law enforcement (investigation by law enforcement has not delayed notification to you) and we are taking steps to ensure that no unauthorized disclosures will occur in the future. We are actively working with the Tulare County District Attorney's office to learn the identity of the individual(s) responsible so that they

«Facility»

Letter to All Employees

Page 2,

February 12, 2016

can be prosecuted to the fullest extent of the law. We have also provided a sample copy of this letter [without any of your identifying information] to the California Attorney General's office.

We are offering to provide, at no cost to you, identity theft prevention and mitigation services, with a one-year membership in Experian's® ProtectMyID® Elite. This product helps detect possible misuse of your personal information and provides you with identity protection support focused on immediate identification and resolution of identity theft. The information necessary to take advantage of this offer is set forth on page 4 of this letter.

WHAT YOU CAN DO

Because your Social Security number was 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 one of the three credit reporting agencies at one of the numbers listed below. This will let you automatically place an alert with all three agencies. You will receive letters from all three, confirming the fraud alert and letting you know how to get a free copy of your credit report from each.

Experian: Call Toll Free: 1-888-397-3742 [address: P.O. Box 9554 Allen, TX 75013]

Equifax: Call Toll Free: 1-800-525-6285 [address: P.O. Box 740256 Atlanta, GA 30374]

TransUnion: Call Toll Free: 1-800-680-7289 [address: P.O. Box 2000 Chester, PA 19016]

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 initiate. And look for personal information that is not accurate, such as your home address and social security number. If you see anything you do not understand, immediately call the credit-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.

Even if you do not find any signs of fraud on your reports, we recommend that you check your credit reports periodically. You can keep the fraud alert in place by calling again after 90 days. For more information on identity theft, we suggest that you visit the web site of the California Office of Privacy Protection at www.privacy.ca.gov.

Letter to All Employees
Page 3,
February 12, 2016

OTHER IMPORTANT INFORMATION

This notice is dated February 12, 2016 and provided by Magnolia Health Corporation, 999 North M Street, Tulare, CA 93274, Telephone: (559) 688-0288, Fax: (559) 688-0237, **Contact Person:** James Higbee, Telephone (559) 688-0288.

FOR MORE INFORMATION

Please see page 5 of this letter for additional information regarding identity theft prevention.

We sincerely apologize for this incident and regret any inconvenience this may cause you. If there is anything that we can do to assist you, please feel free to contact us at the telephone number listed above.

Yours truly,

Kensett J. Moyle, CEO

ACTIVATE PROTECTMYID NOW IN THREE EASY STEPS

1. ENSURE That You Enroll By May 31, 2016 (Your code will not work after this date.)
2. VISIT the ProtectMyID Web Site to enroll: www.protectmyid.com/protect
3. PROVIDE Your Activation Code: «[Activation_Code](#)»

If you have questions or need an alternative to online enrollment, please call 866-751-1324 and provide engagement #: [PC99285](#)

ADDITIONAL DETAILS REGARDING YOUR 12-MONTH PROTECTMYID MEMBERSHIP

This is a complimentary service provided by Magnolia Health Corporation. 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:** Alerts of key changes & suspicious activity found on your Experian credit report.
 - **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 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.
 - It is recognized that 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.
- **\$1 Million Identity Theft Insurance**¹ 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.

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.

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 866-751-1324.

**ADDITIONAL ACTIONS TO HELP REDUCE YOUR CHANCES
OF IDENTITY THEFT RECOMMENDED BY EXPERIAN**

➤ **PLACE A 90-DAY FRAUD ALERT ON YOUR CREDIT FILE**

An **initial 90-day security alert** indicates to anyone requesting your credit file that you suspect you are a victim of fraud. When you or someone else attempts to open a credit account in your name, increase the credit limit on an existing account, or obtain a new card on an existing account, the lender should take steps to verify that you have authorized the request. If the creditor cannot verify this, the request should not be satisfied. You may contact one of the credit reporting companies below for assistance.

Equifax
1-800-525-6285
www.equifax.com

Experian
1-888-397-3742
www.experian.com

TransUnion
1-800-680-7289
www.transunion.com

➤ **PLACE A SECURITY FREEZE ON YOUR CREDIT FILE**

If you are very concerned about becoming a victim of fraud or identity theft, a security freeze might be right for you. Placing a freeze on your credit report will prevent lenders and others from accessing your credit report entirely, which will prevent them from extending credit. With a Security Freeze in place, you will be required to take special steps when you wish to apply for any type of credit. This process is also completed through each of the credit reporting companies.

➤ **ORDER YOUR FREE ANNUAL CREDIT REPORTS**

Visit www.annualcreditreport.com or call 877-322-8228.

Once you receive your credit reports, review them for discrepancies. Identify any accounts you did not open or inquiries from creditors that you did not authorize. Verify all information is correct. If you have questions or notice incorrect information, contact the credit reporting company.

➤ **MANAGE YOUR PERSONAL INFORMATION**

Take steps such as: carrying only essential documents with you; being aware of whom you are sharing your personal information with and shredding receipts, statements, and other sensitive information.

➤ **USE TOOLS FROM CREDIT PROVIDERS**

Carefully review your credit reports and bank, credit card and other account statements. Be proactive and create alerts on credit cards and bank accounts to notify you of activity. If you discover unauthorized or suspicious activity on your credit report or by any other means, file an identity theft report with your local police and contact a credit reporting company.

➤ **OBTAIN MORE INFORMATION ABOUT IDENTITY THEFT AND WAYS TO PROTECT YOURSELF**

- Visit <http://www.experian.com/credit-advice/topic-fraud-and-identity-theft.html> for general information regarding protecting your identity.
- The Federal Trade Commission has an identity theft hotline: 877-438-4338; TTY: 1-866-653-4261. They also provide information on-line at www.ftc.gov/idtheft.