



23 March, 2017



**Notice of Data Breach**

Dear [REDACTED],

Mollie Stones is committed to maintain the privacy and security of your personal information. Regrettably, I am writing to inform you of an incident involving some of that information.

**What Happened**

On March 17, 2017, we learned that one of our employees received a phishing email designed to appear as if it came from one of our Senior Executives. As a result of this phishing incident, we learned that an unauthorized individual may have obtained IRS Form W-2s for the 2016 employment year for some of our employees. When we learned of this, we immediately secured the email account and enabled restrictions to prevent further unauthorized access.

**What Information Was Involved**

We conducted a thorough review of the email account and confirmed that the sent email contained some personal information and may have included your name, address, Social Security number and wage information.

**What We Are Doing**

As soon as we became aware of this situation, we notified the IRS and federal law enforcement authorities, and we are cooperating with their ongoing investigation. The IRS has indicated to us that they will monitor affected employees' accounts for this year, in an effort to prevent fraudulent tax refunds from being paid out. To help prevent something like this from happening again, we are reinforcing our information security training program with an emphasis on the detection and avoidance of phishing email scams and reviewing our internal procedures related to requests for sensitive information. Additionally, we are implementing an enhanced email system that will provide targeted threat protection and data loss prevention controls.

As a precaution, we are offering you a free three-year membership of Experian's® IdentityWorks. This product helps detect possible misuse of your personal information and provides you with identity protection services focused on immediate identification and resolution of identity theft. It also includes \$1 Million Identity Theft Insurance and access to a toll-free US-based Identify Theft Resolution agent who will walk you through the process of fraud resolution from start to finish. Agents 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. IdentityWorks is completely free to you and enrolling in this program will not hurt your credit score.

### **What You Can Do**

We encourage you to take advantage of the identity theft protection services being offered. For more information on identity theft prevention and IdentityWorks, including instructions on how to activate your complimentary three-year membership, please see the additional information provided in this letter.

### **For More Information**

We deeply regret any inconvenience this incident may cause you and are taking additional actions to enhance our IT systems moving forward to help prevent against similar incidents in the future. If you have questions regarding this incident, please call (415) 289-5720 - X270.

Sincerely,

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

Giselle Confehr  
VP - HR & Staff Development

### **Additional details regarding your 36 Month EXPERIAN IDENTITYWORKS Membership:**

We encourage you to activate the fraud detection tools available through Experian IdentityWorks<sup>SM</sup> as a complimentary 36-month membership. This product provides you with identity detection and resolution of identity theft. To start monitoring your personal information please follow the steps below:

- Ensure that you **enroll by: 6/21/17** (Your code will not work after this date.)
- **Visit** the Experian IdentityWorks website to enroll: [www.experianidworks.com/credit3](http://www.experianidworks.com/credit3)
- Provide your **activation code:** XXXXXXXXXX

You can contact Experian **immediately** regarding any fraud issues, and have access to the following features once you enroll in Experian IdentityWorks:

- **Experian credit report at signup:** See what information is associated with your credit file. Daily credit reports are available for online members only. \*
- **Credit Monitoring:** Actively monitors Experian file for indicators of fraud.
- **Identity Restoration:** Identity Restoration agents are immediately available to help you address credit and non-credit related fraud.
- **Experian IdentityWorks ExtendCARE<sup>TM</sup>:** You receive the same high-level of Identity Restoration support even after your Experian IdentityWorks membership has expired.
- **\$1 Million Identity Theft Insurance<sup>\*\*</sup>:** Provides coverage for certain costs and unauthorized electronic fund transfers.

A credit card is **not** required for enrollment in Experian IdentityWorks. If you have questions about the product, need assistance with identity restoration that arose as a result of this incident or would like an alternative to enrolling in Experian IdentityWorks online, please contact Experian's customer care team at 877-890-9332. Be prepared to provide engagement number #DB01084 as proof of eligibility for the identity restoration services by Experian.

There are additional actions you can consider taking to reduce the chances of identity theft or fraud on your account(s). Refer to [www.ExperianIDWorks.com/restoration](http://www.ExperianIDWorks.com/restoration) for this information.

\* Offline members will be eligible to call for additional reports quarterly after enrolling

\*\* Identity theft insurance is underwritten by insurance company subsidiaries or affiliates of American International Group, Inc. (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

### **Additional Steps You Can Take**

Even if you choose not to take advantage of this free credit monitoring, we recommend that you remain vigilant for incidents of fraud or identity theft by reviewing your account statements and free credit reports for any unauthorized activity. You may obtain a copy of your credit report, free of charge, once every 12 months from each of the three nationwide credit reporting companies. To order your annual free credit report, please visit [www.annualcreditreport.com](http://www.annualcreditreport.com) or call toll free at 1-877-322-8228. Contact information for the three nationwide credit reporting companies is as follows:

*Equifax*, PO Box 740241, Atlanta, GA 30374, [www.equifax.com](http://www.equifax.com), 1-800-685-1111

*Experian*, PO Box 2002, Allen, TX 75013, [www.experian.com](http://www.experian.com), 1-888-397-3742

*TransUnion*, PO Box 2000, Chester, PA 19016, [www.transunion.com](http://www.transunion.com), 1-800-916-8800

If you believe you are the victim of identity theft or have reason to believe your personal information has been misused, you should immediately contact the Federal Trade Commission and/or the Attorney General's office in your state. You can obtain information from these sources about steps an individual can take to avoid identity theft as well as information about fraud alerts and security freezes. You should also contact your local law enforcement authorities and file a police report. Obtain a copy of the police report in case you are asked to provide copies to creditors to correct your records. Contact information for the Federal Trade Commission is as follows:

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

If you know or suspect you are a victim of tax-related identity theft, the IRS recommends these steps:

- Respond immediately to any IRS notice; call the number provided or, if instructed, go to [IDVerify.irs.gov](http://IDVerify.irs.gov).
- Complete IRS Form 14039, Identity Theft Affidavit, if your efiled return rejects because of a duplicate filing under your SSN or you are instructed to do so. Use a fillable form at [IRS.gov](http://IRS.gov), print, then attach the form to your return and mail according to instructions.
- Continue to pay your taxes and file your tax return, even if you must do so by paper.

If you previously contacted the IRS and did not have a resolution, contact the IRS for specialized assistance at 1-800-908-4490.