



Processing Center • P.O. BOX 141578 • Austin, TX 78714



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ACD1234

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JOHN Q. SAMPLE  
1234 MAIN STREET  
ANYTOWN US 12345-6789

May 3, 2016

Dear John Sample,

**NOTICE OF DATA BREACH**

What Happened

Alpha Payroll Services, LLC (“Alpha Payroll”) is committed to providing businesses with comprehensive solutions and merchant services, and we’re committed to the privacy and security of our clients and their employees. As part of this commitment, we’re contacting you, as an employee of an Alpha Payroll payroll processing client, regarding a potential breach of your information.

Upon notice on or about April 8, 2016, from an Alpha Payroll customer of the filing of fraudulent tax returns under employee Social Security numbers, Alpha Payroll immediately launched an investigation to determine whether a security incident had occurred. Our investigation uncovered an email phishing scam that led an Alpha Payroll employee to inadvertently release to a third party certain 2015 IRS Form W-2, Wage and Tax Statements of Alpha Payroll client employees. Although we have no definitive proof of tax fraud linked to this incident, we’re providing you this notice out of an abundance of caution.

What Information Was Involved

We have confirmed that information potentially at risk included various pieces of information maintained by Alpha Payroll on behalf of your employer, including your name, address, phone number, and Social Security number.



01-02-1-00

What We  
Are Doing

We promptly notified law enforcement of the incident, including the Criminal Investigation Division of the Internal Revenue Service and the Federal Bureau of Investigation, and we continue to work closely with the IRS.

In addition to conducting an internal investigation and working with law enforcement, we terminated the employee who responded to the phishing attack and are redoubling our efforts to educate employees on phishing schemes and the importance of confirming the legitimacy of emails to lessen the likelihood of future incidents.

We're also contacting Equifax, Experian and TransUnion, the national credit report companies, regarding the incident.

Furthermore, as explained in more detail below, we have hired AllClear ID to provide, at no cost to you, fraud detection and prevention services.

What You  
Can Do

Although there is no definitive proof of fraud as result of this inadvertent release, out of an abundance of caution, we're notifying you that your information may be at risk. As an added precaution, we have arranged to have AllClear ID help protect your identity for 12 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 12 months.

AllClear SECURE: The team at AllClear ID is ready and standing by if you need identity repair assistance. This service is automatically available to you with no enrollment required. If a problem arises, simply call 1-855-904-5754 and a dedicated investigator will help recover financial losses, restore your credit and make sure your identity is returned to its proper condition.

AllClear PRO: Also with no cost to you, this service offers additional layers of protection including credit monitoring and a \$1 million identity theft insurance policy. For a child under 18 years old, AllClear ID ChildScan identifies acts of credit, criminal, medical or employment fraud against children by searching thousands of public databases for use of your child's information. **To use the PRO service, you will need to provide your personal information to AllClear ID. You may sign up online at [enroll.allclearid.com](http://enroll.allclearid.com) or by phone by calling 1-855-904-5754 using the following redemption code:  
**Redemption Code.****

Please note: Additional steps may be required by you in order to activate your phone alerts and monitoring options.

As a precautionary measure, we recommend that you remain vigilant to protect against potential fraud and/or identity theft by, among other things, reviewing your credit card account statements and credit reports closely. If you detect any suspicious activity on an account, you should promptly notify the financial institution or company with which the account is maintained. You should also promptly report any fraudulent activity or any suspected incidents of identity theft to proper law enforcement authorities, including the police and your state's attorney general, as well as the Federal Trade Commission ("FTC").

You may wish to review the tips provided by the FTC on fraud alerts, security/credit freezes and steps to you can take to avoid identity theft. For more information and to contact the FTC, please visit [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft) or call 1-877-ID-THEFT (1-877-438-4338). You may also contact the FTC at: Federal Trade Commission, 600 Pennsylvania Avenue, NW, Washington, DC 20580.

**Credit Reports:** You may obtain a free copy of your credit report once every 12 months from each of the three national credit reporting agencies by visiting <http://www.annualcreditreport.com>, by calling toll free 1-877-322-8228, or by completing an Annual Credit Report Request Form and mailing it to Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348. You can print a copy of the request form at <https://www.annualcreditreport.com/cra/requestformfinal.pdf>.

Alternatively, you may elect to purchase a copy of your credit report by contacting one of the three national credit reporting agencies. Contact information for the three national credit reporting agencies for the purpose of requesting a copy of your credit report or for general inquiries, including obtaining information about fraud alerts and placing a security freeze on your credit files, is as follows:

Equifax 1-800-685-1111 <a href="http://www.equifax.com">www.equifax.com</a> P.O. Box 740241, Atlanta, Georgia 30374-0241	Experian 1-888-397-3742 <a href="http://www.experian.com">www.experian.com</a> P.O. Box 9532, Allen, TX 75013	TransUnion 1-800-888-4213 <a href="http://www.transunion.com">www.transunion.com</a> P.O. Box 1000, Chester, PA 19022
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**Fraud Alerts:** You may want to consider placing a fraud alert on your credit report. An initial fraud alert is free and will stay on your credit file for at least 90 days. The alert informs creditors of possible fraudulent activity within your report and requests that creditors contact you prior to establishing any new accounts in your name. To place a fraud alert on your credit report, contact any of the three national credit reporting agencies using the contact information listed above. Additional information is available at <http://www.annualcreditreport.com>.

**Credit and Security Freezes:** You may have the right to put a credit freeze, also known as a security 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 to you when you initiate a freeze. A credit freeze is designed to prevent potential credit grantors from accessing your credit report without your consent. If you place a credit freeze on your credit file, potential creditors and other third parties will not be able to get access to your credit report unless you temporarily lift the freeze. Therefore, using a credit freeze may delay your ability to obtain credit. In



addition, you may incur fees to place, lift and/or remove a credit freeze. Credit freeze laws vary from state to state. The cost of placing, temporarily lifting and removing a credit freeze also varies by state, generally \$5 to \$20 per action at each credit reporting company. *Unlike a fraud alert, you must separately place a credit freeze on your credit file at each credit reporting company.* Since the instructions for how to establish a credit freeze differ from state to state, please contact the three major credit reporting companies as specified above to find out more information, or by contacting the FTC at 600 Pennsylvania Ave. N.W., Washington, D.C. 20580, 1-877-ID-THEFT, [consumer.ftc.gov](http://consumer.ftc.gov).

This notice has not been postponed as a result of a law enforcement investigation.

**Maryland Residents:** Residents of Maryland may also obtain information about avoiding identity theft from the Maryland Office of the Attorney General at:

200 St. Paul Place  
Baltimore, MD 21202  
1-888-743-0023  
[www.oag.state.md.us](http://www.oag.state.md.us)

**North Carolina Residents:** North Carolina residents can obtain information about preventing identity theft from the North Carolina Attorney General's Office at:

North Carolina Attorney General's Office  
9001 Mail Service Center  
Raleigh, NC 27699-9001  
(877) 566-7226  
[www.ncdoj.com](http://www.ncdoj.com)

For More  
Information

If you have any questions or need further assistance, please call Kevin Costello at 866-253-2227.

Sincerely,



Lazaros Kalemis  
Chief Executive Officer  
Alpha Payroll Services, LLC