



Sageworks, Inc.  
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June 22, 2016

**[Affected Individual]**  
**[Address 1]**  
**[Address 2]**

Re: Data Incident Notification

Dear **[Affected Individual]**:

We are writing to inform you of an incident involving personal information about you.

In January of 2015, we discovered that \_\_\_\_\_ retained personal information about certain Sageworks, Inc. ("Sageworks") employees after his employment terminated in November of 2014. Personal information about you was included in the documents he retained.

Upon discovery of these facts in January 2015, Sageworks immediately notified federal law enforcement. In response, the Federal Bureau of Investigation asked Sageworks to refrain from providing any notifications regarding the incident, since the FBI believed that notice would impede its criminal investigation. This restriction prevented us from notifying you sooner.

The incident may have involved the following types of personal information about you: name, home address, month and year of birth, bank account number and bank routing number that you provided Sageworks for direct deposit purposes, your account number and Subscriber ID if you obtained health insurance through Sageworks, and your premium information if you obtained any insurance through Sageworks. In addition, the incident may have revealed the last four digits of your Social Security number.

We take our obligation to protect the privacy of personal information very seriously, and have taken a number of steps in response to this situation. In addition to immediately reporting this matter to the FBI, we have fully cooperated with the FBI's investigation and have conducted our own internal investigation.

We have made several demands that \_\_\_\_\_ return the information he took. We do not have any information about whether your personal information has been misused. As of the date of this letter, \_\_\_\_\_ has not returned the information to Sageworks. On May 20, 2016, we filed a civil lawsuit against \_\_\_\_\_ to compel the return of all personal information taken, among other things.

Since the discovery of this wrongdoing by \_\_\_\_\_ we have taken steps to place further limits and safeguards on confidential employee information.

## **Steps You Can Take to Protect Your Information against Misuse**

- We are offering you one year of Experian's® ProtectMyID® Alert credit monitoring and identity theft protection services at our expense. Additional information and instructions about how to sign up for this offer are attached. Please contact us at the number listed below if you have any questions about this offer.
- You should remain vigilant against the possibility of fraud or identity theft by reviewing your financial accounts and monitoring your credit reports for unusual activity.
- If you notice unauthorized charges on your bank or credit card statements, contact your bank or credit card issuer immediately about the charges in question. If you ever suspect that you are a victim of identity theft, you should report the incident to local law enforcement or the North Carolina Attorney General's Office.
- Even if you do not find any signs of fraud on your reports, we recommend that you check your credit reports and financial reports periodically. Once a year you may obtain a free copy of your credit report from each of the three credit reporting agencies, whether or not you suspect any unauthorized activity on your account. You may obtain a free copy of your credit report at [www.annualcreditreport.com](http://www.annualcreditreport.com), by calling 1-877-322-8228, or by contacting any one or more of the following national consumer reporting agencies:

Equifax	Experian	TransUnion
P.O. Box 740241	P.O. Box 9532	P.O. Box 6790
Atlanta, GA 30374-0241	Allen, TX 75013	Fullerton, CA 92834-6970
1-800-525-6285	1-888-397-3742	1-800-680-7289

- When you receive credit reports, review them carefully. Look for accounts you did not open. Look for inquiries from creditors that you did not contact. Look for personal information such as home address or Social Security number that is not accurate. If you see anything you do not understand, call the consumer reporting agency at the telephone number listed on the report. If you find suspicious activity on your credit reports, call your local police or sheriff's office and file a police report of identity theft. Request a copy of the police report. You may need to give copies of the police report to creditors to clear up your records.
- You have the right to place a fraud alert on your credit files. A fraud alert requires potential creditors to use reasonable policies and procedures to verify your identity before issuing credit in your name. A fraud alert lasts for 90 days. Call or write one of the three consumer reporting agencies listed above to place a fraud alert on your credit files. This will let you automatically place an alert with all of the agencies. You will receive letters from all three, confirming the fraud alert and letting you know how to obtain a free copy of your credit report from each. Furthermore, you can keep the fraud alert in place by calling again after 90 days. To receive more information about fraud alerts, you may call or write one or more of the consumer reporting agencies listed above.
- You also have the right to place a security freeze on your credit report. A security freeze is intended to prevent credit, loans, and services from being approved in your name without your consent; however, using a security freeze may delay your ability to obtain

- You also have the right to place a security freeze on your credit report. A security freeze is intended to prevent credit, loans, and services from being approved in your name without your consent; however, using a security freeze may delay your ability to obtain credit. If you wish to place a security freeze on your credit report with multiple consumer reporting agencies, you must directly contact each consumer reporting agency. For more information on how to obtain a security freeze, call or write one or more of the consumer reporting agencies listed above, contact the Federal Trade Commission, or visit [www.ncdoj.gov](http://www.ncdoj.gov).

To obtain more information about preventing identity theft, contact the Federal Trade Commission or the North Carolina Attorney General's Office at:

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

Consumer Protection Division  
NC Attorney General's Office  
9001 Mail Service Center  
Raleigh, NC 27699-9001  
1-877-566-7226  
[www.ncdoj.gov](http://www.ncdoj.gov)

We remain committed to ensuring the privacy and security of personal information. If you have any concerns or questions about this matter or if you believe that personal information about you has been misused, please contact Emily Larkin, Information Security Officer, at [emily.larkin@sageworks.com](mailto:emily.larkin@sageworks.com) or (919) 851-7474 ext. 759.

Sincerely,



Scott Ogle  
Chief Executive Officer  
Sageworks, Inc.  
5565 Centerview Drive  
Raleigh, NC 27606

## Experian Credit Monitoring and Identity Theft Protection Information

We are offering you one year of credit monitoring and identity theft protection from Experian at our expense. Please see the instructions below for more information about how to sign up.

### To enroll in Experian's® ProtectMyID® Elite:

1. ENSURE That You Enroll By: 9/30/2016 (Your code will not work after this date.)
2. Visit the ProtectMyID Web Site to enroll: [www.protectmyid.com/enroll](http://www.protectmyid.com/enroll)
3. PROVIDE Your Activation Code: [code]

If you have questions or need an alternative to enrolling online, please call 877-441-6943 and provide engagement #: PC102213.

Once your ProtectMyID membership is activated, you will receive the following features:

- **Free copy of your Experian credit report**
- **Surveillance Alerts for:**
  - **Daily 3 Bureau Credit Monitoring:** Alerts of key changes & suspicious activity found on your Experian, Equifax®, and TransUnion® credit reports.
  - **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<sup>1</sup>:** 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.

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 877-441-6943.

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<sup>1</sup> 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.