

THE COMMONWEALTH OF MASSACHUSETTS  
**STATE BOARD OF RETIREMENT**



Timothy P. Cahill  
Treasurer and Receiver General  
Chairman

Nicola Favorito, Esq.  
Executive Director

May 30, 2008

Ms. Loretta M. Smith, Chief, Government Bureau  
Mr. Scott Schafer, Esq., Assistant Attorney General  
Office of Attorney General Martha Coakley  
One Ashburton Place  
Boston, MA 02108

**Re: Notice in accordance with G.L. c. 93H, § 3**

Dear Mr. Schafer and Ms. Smith:

This letter is sent in compliance with M.G.L. c. 93H, § 3, to provide you with notice of an incident, which may have put the personal information of residents of the Commonwealth at risk.

The State Board of Retirement ("SBR"), in the normal course of its operations receives checks from Commonwealth residents who are members of the Massachusetts State Employees' Retirement System ("MSERS")<sup>1</sup>. After being posted, these checks are sent to a lock-box maintained by the Bank of New York Mellon ("BNY-Mellon") in Philadelphia. BNY-Mellon is the custodian bank retained by the Pension Reserves Investment Management ("PRIM") Board, investment manager to the MSERS. BNY-Mellon sweeps the lock-box, scans the checks and transfers those images onto a magnetic tape to be delivered by carrier to BNY-Mellon's storage facility in Pittsburgh.

By letter dated May 15, 2008, and in subsequent discussions, BNY-Mellon informed the SBR that on April 29, 2008, one unencrypted back-up tape containing images of checks submitted by some MSERS members, as well as images of documents belonging to other BNY-Mellon clients was lost in-transit to BNY-Mellon's storage site. BNY-Mellon processed these checks between February 25 and April 25, 2008. These checks had the names, financial account information and in some cases, the social security numbers of MSERS members. Exactly 128 members of the system may have been affected by this incident.

Following an investigation of this incident, BNY-Mellon has advised that there is no evidence that the tape was stolen or is in the possession of an unauthorized person, or that

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<sup>1</sup> And related institutions.

any information on the tape has been accessed by other parties. Moreover, the magnetic tape can only be read using special equipment. We are requesting additional information from BNY-Mellon regarding this incident.


BNY-Mellon has also advised that it is implementing precautionary measures designed to ensure that an event such as this does not occur at any time in the future. Specifically, BNY-Mellon plans to transmit information to its archive electronically using a secured network, thereby eliminating the need to produce a back-up tape.

Furthermore, we have requested, and BNY-Mellon has agreed to send notice to these individuals. As a follow-up to the notice from BNY-Mellon, SBR will provide notice to all potentially affected members of the system in accordance with the notice provisions of M.G.L. c. 93H, § 3. A sample copy of that letter of notice is appended hereto.

Separately, pursuant to M.G.L. c. 93H, § 2(c), the Treasury has engaged outside counsel to promulgate regulations to safeguard the personal information of residents of the Commonwealth.

The SBR and the Treasury as a whole are committed to protecting the personal information of Commonwealth residents. In the interests of ensuring that safety, the SBR has closely followed this incident and taken all necessary steps as required by M.G.L. c. 93H. We will keep you apprised of any and all developments and send a letter confirming when the notice to Commonwealth residents has been mailed. Thank you for your time and attention to this matter.

Sincerely,



Nicola Favorito, Esq.  
Executive Director  
State Board of Retirement

Enclosures

cc: State Board of Retirement  
Grace H. Lee, First Deputy Treasurer-General Counsel

# DRAFT

DATE

Name

Address

City, State, Zip

Re: Notification in accordance with M.G.L. c. 93, § 3

Dear Mr. \_\_\_\_\_:

As a follow-up to the letter you received from The Bank of New York Mellon ("BNY-Mellon"), the State Board of Retirement ("SBR") wanted to provide you with written notice of an incident, which may have put your personal information at risk. Listed below are your rights as a result of this incident.

1. **You have the right to file and obtain a police report.** Pursuant to M.G.L. c. 93H, § 3, if you suspect that you are the victim of identity theft, you have the right to file a police report (and obtain a copy of the police report).
2. **You have the right to request a Security Freeze.** A security freeze is a notice placed on your consumer report, which prevents the reporting agency from releasing your information without your express authorization. You may request that a security freeze be placed on your consumer report by sending a request to each of the following three consumer reporting agencies: (a) TransUnion; (b) Experian; (c) Equifax.
  - a. **TransUnion.** Submit a written request including your Name, Address, Social Security Number and a credit card number and expiration date to pay the applicable fee, if any, for the service. Include with your request proof of your current residence, such as a state issued identification card or driver's license.

Residents of Massachusetts may make a request via overnight mail. Mail your written request to:

TransUnion, Fraud Victim Assistance Department  
P.O. Box 6790  
Fullerton, CA 92834

# DRAFT

Fees: There is a \$5 fee to place a security freeze on a credit report. Acceptable forms of payment are American Express, Discover, MasterCard and Visa.

Removal Fees: There is an additional \$5 fee to permanently remove a security freeze on your credit report.

- b. **Experian.** Send a written request including all of the following documentation: full name, with middle initial and generation, such as JR, SR, II, III, etc.; Social Security number; date of birth (month, day and year); current address and previous addresses for the past two years.

In addition, enclose one copy of a government issued identification card, such as a driver's license, state or military ID card, etc., and one copy of a utility bill, bank or insurance statement, etc. Make sure that each copy is legible (enlarge if necessary), displays your name and current mailing address, and the date of issue (statement dates must be recent). Experian is unable to accept credit card statements, voided checks, lease agreements, magazine subscriptions or postal service forwarding orders as proof.

Mail your written request to:

Experian Security Freeze  
P.O. Box 9554  
Allen, TX 75013

Fees: There is a \$5 fee to place a security freeze on a credit report.

Removal Fees: The fee for permanently removing a security freeze is \$5.

- c. **Equifax.** You may request the placement of a security freeze by Phone (800) 685-1111 or by written request by sending the following information to Equifax: Name; Address; Date of Birth; Social Security Number; Proof of current address, such as a current utility bill; and payment of the applicable fee.

Your request may be sent by Certified, Overnight, or Regular Mail. Send your request to the following address:

Equifax Security Freeze  
P.O. Box 105788  
Atlanta, Georgia 30348

Fees: There is a \$5 fee. Equifax accepts personal checks, American Express, Mastercard, VISA, and Discover Cards for payment of fees. If you are paying by credit card, please include the following information: Name of the person as it appears on the credit card; Type of credit card (American Express, Mastercard, VISA, or Discover Card); Complete account number; Expiration data (month and year). NOTE: For American Express – provide 4 digit Card Identification Number (on front of card above the account number); For Mastercard, VISA, or Discover Card - 3 digit Card Identification Number (on back of card at the end of the account number). Do not send cash through the mail.

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Removal Fees: There is an additional \$5 fee to permanently remove a security freeze on your credit report.

3. **You have the right to lift a Security Freeze.** If you wish to lift a security freeze that is in place, contact the consumer reporting agency, and request that the freeze be lifted. You must provide proper identification, the personal identification number or password, or both, provided by the consumer reporting agency, and the third party who is to receive the consumer report or the specified period of time for which the report shall be available to authorized users of the consumer report.
4. **Fees relative to placing, lifting or removing a security freeze.** As noted above, a consumer reporting agency may charge a reasonable fee, not to exceed \$5, for the service of placing, lifting or removing a security freeze from your consumer report. These services shall be free, however, for victims of identity theft, provided that the victim submits to the consumer reporting agency a valid police report relating to the identity theft.

Please feel free to contact the State Board of Retirement should you have any questions or concerns.

Sincerely,

Nicola Favorito, Esq.  
Executive Director  
State Board of Retirement