



February 19, 2010

Mr. Douglas F. Gansler
Office of the Attorney General
200 St. Paul Place
Baltimore, MD 21202

Dear Attorney General Gansler:

We are writing to inform you, pursuant to the provisions of Maryland Statutes Section 14-3504(h), of an incident involving possible unauthorized access to personal information relating to 1,530 employees of clients of Beecher Carlson Holdings, Inc. who reside in the state of Maryland.

We are sending letters beginning on February 26, 2010 to these individuals to notify them that of the theft of two company laptops used by two of our employees. A copy of the form of our notification letter is attached. The employees were attending a company meeting at a third party location when the laptops were stolen. The personal information contained on these laptops included names and Social Security numbers. We do not have any evidence that, beyond this theft, this data has been further accessed, used or disclosed but the laptops have not been recovered.

The theft occurred on January 19th. We were able to reconstruct the laptop data the next day. Based on our preliminary review, we learned on January 22nd that there was a possibility of names and Social Security numbers being resident on the laptops. We promptly notified possibly affected clients as well as engaged both a data breach consultant and a forensic data recovery firm. The external forensic recovery efforts concluded on February 3rd, resulting in a master list of unique names and Social Security numbers. We took those results and tied the information provided to our raw client files to confirm origin; those efforts concluded February 5th. We notified affected clients orally on February 8th and 9th and formally in writing on February 10th. We engaged Experian on February 9th to obtain current address information for affected individuals as well as set up the notice mailing process. We obtained current address information on February 19th.

We are taking steps to avoid a reoccurrence of this incident, including the acceleration of a laptop encryption program. We expect that all company laptops will be encrypted by February 28, 2010. We have also reported this theft to law enforcement and provided the information they requested for their investigation. In addition, we have engaged Experian, a leading provider of credit monitoring services, to provide affected persons with the option to enroll in one (1) year of free credit monitoring service that includes identity theft insurance.

Please let me know if you have any questions or if we can provide any additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Meyerowitz".

Adam Meyerowitz
Senior Vice President and General Counsel

[INSERT LOGO]

[INSERT DATE]

[Affected Individual Name]
[Street Address]
[City, State, Zip]

*Important Security and Protection Notification.
Please read this entire letter.*

Theft of Laptops that Contained Your Personal Information

Dear [INSERT NAME]:

We provide insurance brokerage and workers compensation claims analysis services to a number of companies, including <CLIENT NAME>. In the course of providing those services, we sometimes obtain personal information about claimants. We are writing to inform you of a theft of two company laptops used by two of our employees. The employees were attending a company meeting at a third party location when the laptops were stolen.

The personal information contained on these laptops included your name and social security number. We do not have any evidence that, beyond this theft, this data has been further accessed, used or disclosed but the laptops have not been recovered. We are providing you this notice to alert you to the possible risk of identity theft and to explain the steps we have taken to protect against identity theft or abuse of your information.

We are taking the necessary steps to avoid a reoccurrence of this incident. We have also reported this theft to law enforcement and provided the information they requested for their investigation. To further protect you, we have engaged Experian, a leading provider of credit monitoring products **to provide you with one (1) year of free credit monitoring product that also includes identity theft insurance.** Credit monitoring is a product that monitors your credit reports at the three major credit bureaus for signs of fraud and provides you with alerts of key changes to your credit reports. To register for the free credit monitoring product please follow the steps included on the attached instruction sheet.

Even though we have taken these actions to protect your information, we nevertheless recommend that you remain vigilant and review all of your account statements and free credit reports regularly. 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 also should promptly report fraudulent activity or any suspected incidence of identity theft to proper local law enforcement authorities, the Federal Trade Commission ("FTC"), or your attorney general.

The FTC also provides helpful information about how to avoid identity theft. Please visit <http://www.ftc.gov/idtheft>, call 1-877-ID-THEFT (877-438-4338) or write to the Consumer Response Center, Federal Trade Commission, 600 Pennsylvania Ave., NW, H-130, Washington, DC 20580.

You may also wish to contact the Maryland Attorney General for more information about identity fraud and identity theft at: <http://www.oag.state.md.us/>

Main telephone number
(410) 576-6300 or 1 (888) 743-0023 toll-free in Maryland
TDD: (410) 576-6372

Mailing address:
Office of the Attorney General
200 St. Paul Place
Baltimore, MD 21202

You may obtain a free copy of your credit report once every 12 months by visiting <http://www.annualcreditreport.com>, calling toll-free 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 30348-5281 (you can print a copy of the request form at <http://www.ftc.gov/bcp/menus/consumer/credit/rights.shtml>). You also may purchase a copy of your credit report by contacting one of the three national credit reporting companies.

Equifax (800) 525-6285 www.equifax.com P.O. Box 740241 Atlanta, GA 30374-0241	Experian (888) 397-3742 www.experian.com P.O. Box 9532 Allen, TX 75013	TransUnion Fraud Victim Assistance Division (800) 680-7289 www.transunion.com P.O. Box 6790 Fullerton, CA 92834-6790
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In addition, there are two types of fraud alerts that you can place on your credit report to put your creditors on notice that you may be a victim of fraud: an "Initial Alert" and an "Extended Alert." An Initial Alert stays on your credit report for 90 days. You may ask that an Initial Alert be placed on your credit report if you suspect you have been, or are about to be, a victim of identity theft. An Extended Alert stays on your credit report for seven years. In order to obtain the Extended Alert, you must provide proof to the credit reporting company (usually in the form of a police report) that you actually have been a victim of identity theft. You have the right to obtain a police report regarding the data security incident. You can place a fraud alert on your credit report by calling the toll-free fraud number of any of the three credit reporting services provided above. Additional information may be obtained from www.annualcreditreport.com.

In some U.S. states, you have the right to put a credit freeze (also known as a security freeze) on your credit file. A credit freeze is designed to prevent potential credit grantors from accessing

your credit report without your consent. Unlike a fraud alert, you must separately place a credit freeze on your credit file at each credit reporting company.

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 interfere with or delay your ability to obtain credit. To place a security freeze on your credit report, send a request by mail to a consumer reporting agency at the address below that includes the following (note that if you are requesting a credit report for your spouse, this information must be provided for him/her as well):

- (1) full name, with middle initial and any suffixes;
- (2) Social Security number;
- (3) date of birth;
- (4) current address and any previous addresses for the past two years; and
- (5) any applicable incident report or complaint with a law enforcement agency or the Registry of Motor Vehicles.

The request must also include a copy of a government-issued identification card and a copy of a recent utility bill or bank or insurance statement. It is essential that each copy be legible, display your name and current mailing address, and the date of issue. The consumer reporting agency may charge a fee of between \$5.00 and \$20.00 to place, lift, and/or remove a freeze, unless you are a victim of identity theft or the spouse of a victim of identity theft, and you have submitted a valid police report relating to the identity theft incident to the consumer reporting agency. Here are the addresses of consumer reporting agencies to which requests for a security freeze may be sent:

- Equifax Security Freeze, P.O. Box 105788, Atlanta, Georgia 30348
- Experian Security Freeze, P.O. Box 9554, Allen, TX 75013
- TransUnion Fraud Victim Assistance Division, P.O. Box 6790, Fullerton, CA 92834-6790

Please note that in the aftermath of security breaches, some criminals seek to fraudulently obtain personal information of affected individuals by claiming to be the business experiencing the breach. We wish to advise you that you should **NOT** respond to any requests from entities requesting your sensitive personal information in relation to this breach. No one from Beecher Carlson nor anyone legitimately contacting you on our behalf will ask you for your Social Security number or other sensitive personal information with regard to this incident, other than as may be necessary to respond to questions from you about how the incident may have impacted you. If you receive any written request or electronic request via e-mail purporting to be from Beecher Carlson or a company affiliated with Beecher Carlson, and the request looks suspicious, please call us at the number listed below.

Again, we have no knowledge that the information affected has been further accessed, used or disclosed; however, we wish to ensure that you are forewarned and able to identify any suspicious account activity.

We deeply regret that this incident has occurred and reaffirm our commitment to protect your personal information that our clients entrust to us. If you have questions regarding this theft of personal information and the actions you can take to protect yourself, please feel free to call the Customer Care Center we have engaged at 800-XXX-XXXX for calls originating in North America and +1 XXX-XXXX for calls originating outside of North America.

Sincerely,

Adam Meyerowitz
Senior Vice President and General Counsel

INSTRUCTIONS TO REGISTER FOR FREE CREDIT MONITORING SERVICES WITH EXPERIAN TRIPLE ALERT

To activate your complimentary one year membership in Triple Alert from Experian, visit the website listed below and enter your individual activation code. If you prefer, you can enroll on the phone by speaking with Experian Customer Care representatives toll-free at (866) 252-0121.

Triple Alert Web Site: [SITE]
Your Activation Code: [Activation Code]
You Must Enroll By: [Expiration date]

As soon as you enroll in your complimentary Triple Alert membership, Experian will begin to monitor your credit reports from Experian, Equifax[®] and TransUnion[®] on a daily basis and notify you of key changes. This powerful tool will help you identify potentially fraudulent use of your information, and provide you with immediate assistance from a dedicated team of fraud resolution representatives should you ever need help.

Your complimentary 12-month Triple Alert membership includes:

- Daily monitoring and timely alerts of any key changes to your credit reports—so you know when there is any activity that you should be made aware of such as notification on new inquiries, newly opened accounts, delinquencies, public records or address changes
- Toll-free access to a dedicated team of fraud resolution representatives who will help you investigate each incident; contact credit grantors to dispute charges, close accounts if need be, and compile documents; and contact all relevant government agencies
- \$25,000 in identity theft insurance coverage (\$10,000 for New York state residents) with zero deductible provided by Virginia Surety Company, Inc. for certain identity theft expenses*

Activate your membership today for immediate protection at [site]
Or call (866) 252-0121 to register with this activation code: [activation code]

You have ninety (90) days to activate this membership, which will then continue for 12 full months. To get the benefits of Triple Alert, you must enroll.

If you have questions about Triple Alert, 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 at (866) 252-0121.

** Insurance coverage is not available in U.S. overseas Commonwealth or Territories (i.e. Puerto Rico).*