



March 31, 2016

### Notice of a Data Breach

Employee First and Last Name  
Street Address  
City, State ZIP Code

Dear First and Last Name:

I am writing to inform you of an incident involving your information that we became aware of on March 24, 2016.

#### What Happened

On March 24, 2016, a USAC employee was the victim of a sophisticated "phishing" email that appeared to be from the employee's superior and requested the 2015 IRS W-2 forms of USAC employees. The employee provided the 2015 W-2 information because the email address had been masked to appear as if the email came from the actual superior's USAC email address. Within minutes, the employee realized that the email was fraudulent and notified USAC management, which immediately commenced an investigation. Unfortunately, your W-2 was among those released outside of USAC.

#### What Information Was Involved

The information at issue includes your name, Social Security Number, address, compensation, tax withholding amounts, and other benefit or retirement withholding and contribution amounts listed on your Form W-2.

#### What We Are Doing

In addition to a full investigation of the incident, we promptly isolated the employee's computer, blocked the attacker's email and domain, and increased our email filtering and monitoring. We have provided re-training to the employee at issue and are in the process of providing additional security training to all employees, which includes enhanced training regarding phishing. We are reviewing our privacy and security policies, and we will update them as needed, to help prevent similar incidents from occurring in the future. Finally, we have alerted the IRS in an effort to further protect you and are fully cooperating with their investigation.

#### What You Can Do

To help protect you, we have retained AllClear ID to **provide identity repair and theft protection services, which include free credit monitoring for one year 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 Identity Repair:** 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 877-676-0379 and a dedicated investigator will do the work to recover financial losses, restore your credit and make sure your identity is returned to its proper condition.

**AllClear Credit Monitoring:** This service offers additional layers of protection including credit monitoring and a \$1 million identity theft insurance policy. To use the Credit Monitoring 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) using the following redemption code: {RedemptionCode}.

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

Regardless of whether you take advantage of the services being offered, we recommend that you continue to remain vigilant by checking your credit reports periodically and monitoring account statements. If you detect any fraudulent or unusual activity, notify law enforcement immediately and contact us using the information below. We have also enclosed additional information about identity theft prevention and other steps you may take to help protect yourself, including recommendations by the Federal Trade Commission and details on how to place a fraud alert or a security freeze on your credit file.

**For More Information**

If you have any questions, please contact Sola King at 202-263-1651.

We take the security of your information very seriously, and regret any uncertainty or inconvenience that this incident may have caused you.

Sincerely,



Sola King  
Vice President and Chief Human Capital Officer

### **Information About Identity Theft Prevention**

We recommend that you regularly review statements from your accounts and periodically obtain your credit report from one or more of the national credit reporting companies. You may obtain a free copy of your credit report online at [www.annualcreditreport.com](http://www.annualcreditreport.com), by calling toll-free 1-877-322-8228, or by mailing an Annual Credit Report Request Form (available at [www.annualcreditreport.com](http://www.annualcreditreport.com)) to: Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA, 30348-5281. You may also purchase a copy of your credit report by contacting one or more of the three national credit reporting agencies listed below.

**Equifax:** P.O. Box 740241, Atlanta, Georgia 30374-0241, 1-800-685-1111, [www.equifax.com](http://www.equifax.com)  
**Experian:** P.O. Box 9532, Allen, TX 75013, 1-888-397-3742, [www.experian.com](http://www.experian.com)  
**TransUnion:** P.O. Box 1000, Chester, PA 19022, 1-800-888-4213, [www.transunion.com](http://www.transunion.com)

When you receive your credit reports, review them carefully. Look for accounts or creditor inquiries that you did not initiate or do not recognize. Look for information, such as home address and Social Security number, that is not accurate. If you see anything you do not understand, call the credit reporting agency at the telephone number on the report.

We recommend you remain vigilant with respect to reviewing your account statements and credit reports, and promptly report any suspicious activity or suspected identity theft to us and to the proper law enforcement authorities, including local law enforcement, your state's attorney general and/or the Federal Trade Commission ("FTC"). You may contact the FTC or your state's regulatory authority to obtain additional information about avoiding identity theft.

**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)

**For residents of Maryland:** You may also obtain information about preventing and avoiding identity theft from the Maryland Office of the Attorney General:

**Maryland Office of the Attorney General, Consumer Protection Division**  
200 St. Paul Place, Baltimore, MD 21202, 1-888-743-0023, [www.oag.state.md.us](http://www.oag.state.md.us)

**For residents of North Carolina:** You may also obtain information about preventing and avoiding identity theft from the North Carolina Attorney General's Office:

**North Carolina Attorney General's Office, Consumer Protection Division**  
9001 Mail Service Center, Raleigh, NC 27699-9001, 1-877-5-NO-SCAM, [www.ncdoj.gov](http://www.ncdoj.gov)

**Fraud Alerts:** There are also 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. You may ask that an initial fraud alert be placed on your credit report if you suspect you have been, or are about to be, a victim of identity theft. An initial fraud alert stays on your credit report for at least 90 days. You may have an extended alert placed on your credit report if you have already been a victim of identity theft with the appropriate documentary proof. An extended fraud alert stays on your credit report for seven years. You can place a fraud alert on your credit report by calling the toll-free fraud number of any of the three national credit reporting agencies listed below.

**Equifax:** 1-888-766-0008, [www.equifax.com](http://www.equifax.com)  
**Experian:** 1-888-397-3742, [www.experian.com](http://www.experian.com)  
**TransUnion:** 1-800-680-7289, [fraud.transunion.com](http://fraud.transunion.com)

**Credit 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, 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 below to find out more information:

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| Equifax:        | P.O. Box 105788, Atlanta, GA 30348, <a href="http://www.equifax.com">www.equifax.com</a>                 |
| Experian:       | P.O. Box 9554, Allen, TX 75013, <a href="http://www.experian.com">www.experian.com</a>                   |
| TransUnion LLC: | P.O. Box 2000, Chester, PA, 19022-2000, <a href="http://freeze.transunion.com">freeze.transunion.com</a> |

You can obtain more information about fraud alerts and credit freezes by contacting the FTC or one of the national credit reporting agencies listed above.