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HIGDON & HALE

CERTIFIED PUBLIC ACCOUNTANTS • A PROFESSIONAL CORPORATION
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NOTIFICATION OF DATA BREACH INCIDENT

Via Fax (410) 576-6566 and U.S. Mail

Office of the Maryland Attorney General
 Attn: Security Breach Notification
 200 St. Paul Place
 Baltimore, MD 21202

Re: Data Breach Incident involving Maryland Resident

To Whom it May Concern:

We write to advise, in accordance with Md. Code Ann. Comm. Law §14-3504, that there has been an unfortunate data breach incident caused by an anonymous cyber attacker of our firm's computer data systems. The data accessed improperly by this cyber attacker may include: the client's name, address, date of birth, social security number, sources of income, and bank account information.

It is our understanding that on approximately May 14, 2016, an unknown cyber attacker gained improper access into the firm's computer systems and appears to have accessed numerous client files. The cyber hacker appears to have again improperly accessed the systems on May 17th, attempting to again obtain and misuse information on the firm's current and former clients.

We learned of this activity on May 23, 2016, and we immediately took action. We contacted local law enforcement that day, along with the Internal Revenue Service (IRS) and various financial institutions to initiate full-scale investigations and remedial actions. We have also subsequently contacted the Federal Bureau of Investigation (FBI) to initiate further investigations into this matter. Additionally, we immediately took our computer systems off-line and took steps to further evaluate and address any cyber security issues. As a result of our investigation, we have further upgraded our firewalls and other security measures that were in place. Finally, we are authorizing credit monitoring and identity theft services for all impacted individuals for a twelve (12) month period and are providing a detailed notification letter to each individual. We enclose an exemplar of that letter for your files and information.

To date, it is our understanding that a total of one (1) resident of the state of Maryland may be impacted by this breach/access, and they are scheduled to be notified in writing this week.

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 OFF OF THE ATTY GENERAL
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If you have questions or concerns, you may contact us at the phone number listed above. You may also contact and address any inquiries to our legal counsel as it relates to this matter:

***K. Christopher Jayaram and BK Christopher
Horn Aylward & Bandy LLC
2600 Grand Blvd., Suite 1100
Kansas City, MO 64108
(816) 421-0700
(816) 421-0899 FAX***

They are authorized to discuss these matters and address any outstanding questions you may have.

Best regards.

Very truly yours,



John Martin

President-Higdon & Hale CPAs, P.C.

JM/kcj

Enclosure



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--NOTIFICATION OF SECURITY INCIDENT--

date

Address

Dear _____:

We write to inform you of a data security incident that our firm recently experienced that may have resulted in the exposure and potential misuse of your personal information, including the information that you provided to us for use within your tax returns. That may include: name, address, date of birth, social security number, sources of income, and bank account information.

We value and respect the privacy of your information, and we sincerely apologize for any concerns or inconvenience this may cause you. This letter and accompanying information is intended to provide you with details on this incident, steps that you can take to address the situation, and resources that we are making available to help you.

It is our understanding that on approximately May 14, 2016, an unknown cyber attacker gained improper access into the firm's computer systems and appears to have accessed numerous client files. The cyber hacker appears to have again improperly accessed the systems on May 17th, attempting to again obtain and misuse information on the firm's current and former clients.

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Given the breadth of information involved, we strongly recommend that you remain vigilant of fraud and/or identity theft by reviewing your account statements and monitoring your credit report for unauthorized activity. If you have any suspicions or concerns regarding fraud and/or identity theft, we urge you to immediately contact the state Attorney General's office, your local law enforcement agency, and the Federal Trade Commission (FTC). Additionally, you can call any or all of the three major credit reporting agencies and place a 90-day fraud alert on your accounts. Their contact information is:

<p>Equifax PO Box 105139 Atlanta, GA 30374 1-800-685-1111 www.equifax.com</p>	<p>Experian PO Box 2002 Allen, TX 75013 1-888-397-3742 www.experian.com</p>	<p>TransUnion PO Box 6790 Fullerton, CA 92834 1-800-916-8800 www.transunion.com</p>
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You can obtain additional information from the Maryland/North Carolina Offices of the Attorney General and from the FTC about fraud alerts, security freezes, and steps you can take toward preventing identity theft. Their contact information is:

<p>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</p> <p>North Carolina Office of the Attorney General Consumer Protection Division 9001 Mail Service Center Raleigh, NC 27699-9001 1-877-566-7226 www.ncdoj.com</p>	<p>Federal Trade Commission Consumer Responses Center 600 Pennsylvania Ave., NW Washington, DC 20580 1-877-IDTHEFT (438-4338) www.ftc.gov/bcp/edu/microsites/idtheft</p>
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You are also entitled to a free credit report every year from each of these agencies, which you can obtain by visiting: www.annualcreditreport.com.

Further, we recommend that you notify your banking institutions and request a change of any account numbers, if you provided us with such information.

Additionally, if you know or suspect that you are a victim of tax-related identity theft, the IRS recommends the following steps:

- Respond immediately to any IRS notice; call the number provided or, if instructed, go to [IDVerify.irs.gov](https://www.idverify.irs.gov)
- Complete IRS Form 14039, Identity Theft Affidavit. Use a fillable form at [IRS.gov](https://www.irs.gov), print, then attach the form to your return and mail according to the instructions.
- Continue to pay your taxes and file your tax return, even if you must do so by paper.
- Please notify us at once of any letters, telephone calls, or any other form of communication received from any taxing authorities so that we may prepare the appropriate response for you to submit.
- We will be here to assist in any tax related matters regarding this matter.

As an extra added precaution, we have also arranged to have AllClear ID 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 their services (as discussed in this letter) 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 1-855-431-2164 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: 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 or by phone by calling 1-855-431-2164 using the following redemption code: `{RedemptionCode}`.

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

If you have questions or concerns, please do not hesitate to contact us at (913) 831-7000, Monday through Friday from 8 a.m. to 5 p.m. CST. You may also contact AllClear ID at 1-855-431-2164 from 8 a.m.-8 p.m. CST Monday through Saturday, and they can provide you with additional information regarding the incident as well as all aspects of the free credit monitoring and identity theft programs we have arranged for you. Your trust and confidence is of utmost concern to us at Higdon & Hale, and we deeply regret any inconvenience or concerns that this incident may cause you.

Very truly yours,

John Martin, President
Higdon & Hale, PC