

September 13, 2022

**VIA FAX AND EMAIL: (410)576-6566 and idtheft@oag.state.md.us**

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

**CONFIDENTIAL PRELIMINARY NOTICE OF SECURITY BREACH**

Re: Apex Capital Corp. and TransConnect Services; Security Breach of  
Personally Identifiable Information ("PII"); Discovery of Breach:  
August 15, 2022

Dear Sir or Madam:

Our firm represents Apex Capital Corp. ("Apex") and TransConnect Services ("TCS") and on behalf of Apex and TCS, we are hereby providing you confidential notice of a security breach involving PII, as required by Md. Code Ann., Com. Law § 14-3504. Apex and TCS provide freight factoring for trucking companies, among other financial services to the transportation industry. Accordingly, Apex and TCS do business with vendors across the country.

On August 15, 2022, Apex and TCS were targeted by a ransomware attack and an unauthorized third party claimed to have accessed the Apex/TCS network and downloaded a number of files, some of which contained PII. After a thorough investigation by a third-party cyber security company and internal teams, it is believed that the threat actor did not distribute any personal information. However, whether any PII was viewed by third parties is unknowable at this time. In an abundance of caution, Apex and TCS are providing notice to individuals (mostly employees) and business partners who may have been affected by the unauthorized access.

Apex and TCS have not yet notified individuals or companies in Maryland but intend to distribute written notice to them no later than September 15, 2022. Attached is a draft copy of the notice template to be sent to the affected persons or entities. Apex and

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TCS believe there are four (4) potentially affected companies in Maryland. There are no known impacted individuals residing in Maryland.

Apex and TCS will provide affected individuals with twenty-four (24) months free credit monitoring and identity theft repair through Experian IdentityWorks.

Apex and TCS have filed a report with the Federal Bureau of Investigations but are currently unaware of that report's status. If you have further questions or concerns about this incident, please feel free to contact the undersigned.

Yours Very Truly,



Kathryn D. Terry and Natalie M. McMahan  
[kdterry@phillipsmurrah.com](mailto:kdterry@phillipsmurrah.com)  
[nmmcmahan@phillipsmurrah.com](mailto:nmmcmahan@phillipsmurrah.com)

KDT/NMM



6000 Western Place, Ste. 1000  
Fort Worth, Texas 76107

[Date]

[Insert Recipient's Name]

[Insert Address]

[Insert City, State, Zip]

**RE: Important Security Notification**  
**Please read this entire letter.**

Dear [Insert customer name]:

**What happened.** We are contacting you regarding a data breach incident that has occurred on August 15, 2022 at Apex Capital Corporation ("Apex") and TransConnect Services ("TCS"). This incident involved personally identifiable information ("PII") typically found on W-2, W-4, W-8, W-9, and 1099 IRS forms. **We are confident that this breach has been contained.** However, in an abundance of caution and consistent with applicable laws, Apex is providing this notice to its employees and business partners who may have been affected by the unauthorized access. Please be assured that we have taken every step necessary to address the incident.

**What information was involved.** In the case of Apex employees or former employees, the data breach included the employees' wage information and social security numbers. In the case of other Apex business partners, the Data Breach involved EIN/TIN's, and in rare instances a social security number as found in W-9, W8, and 1099 IRS forms.

**What we are doing to protect your information:**

To help protect your identity, we are offering a complimentary 2-year membership of Experian's® IdentityWorks<sup>SM</sup>. This product provides you with superior identity detection and resolution of identity theft. To activate your membership and start monitoring your personal information please follow the steps below:

- Ensure that you enroll by: [enrollment end date] (Your code will not work after this date.)
- Visit the Experian IdentityWorks website to enroll: [URL]
- Provide your activation code: [code]

If you have questions about the product, need assistance with identity restoration or would like an alternative to enrolling in Experian IdentityWorks online, please contact Experian's customer care team at [customer service number] by [enrollment end date]. Be prepared to provide engagement number [engagement #] as proof of eligibility for the identity restoration services by Experian.

**ADDITIONAL DETAILS REGARDING YOUR 2-YEAR EXPERIAN IDENTITYWORKS MEMBERSHIP:**

A credit card is **not** required for enrollment in Experian IdentityWorks.

You can contact Experian **immediately** regarding any fraud issues, and have access to the following features once you enroll in Experian IdentityWorks:

- **Experian credit report at signup:** See what information is associated with your credit file. Daily credit reports are available for online members only.\*
- **Credit Monitoring:** Actively monitors Experian file for indicators of fraud.
- **Identity Restoration:** Identity Restoration agents are immediately available to help you address credit and non-credit related fraud.
- **Experian IdentityWorks ExtendCARE™:** You receive the same high-level of Identity Restoration support even after your Experian IdentityWorks membership has expired.
- **Up to \$1 Million Identity Theft Insurance\*\*:** Provides coverage for certain costs and unauthorized electronic fund transfers.

If you believe there was fraudulent use of your information and would like to discuss how you may be able to resolve those issues, please reach out to an Experian agent at [customer service number]. If, after discussing your situation with an agent, it is determined that Identity Restoration support is needed, then an Experian Identity Restoration agent is available to work with you to investigate and resolve each incident of fraud that occurred (including, as appropriate, helping you with contacting credit grantors to dispute charges and close accounts; assisting you in placing a freeze on your credit file with the three major credit bureaus; and assisting you with contacting government agencies to help restore your identity to its proper condition).

Please note that this Identity Restoration support is available to you for 24 months from the date of this letter and does not require any action on your part at this time. The Terms and Conditions for this offer are located at [www.ExperianIDWorks.com/restoration](http://www.ExperianIDWorks.com/restoration). You will also find self-help tips and information about identity protection at this site.

We sincerely apologize for this incident and regret any inconvenience it may cause you. Should you have questions or concerns regarding this matter, please contact Apex's credit manager, Jim Phillips, at 817-258-5023.

Sincerely,

Chris Bozek  
President

\* Offline members will be eligible to call for additional reports quarterly after enrolling

\*\* The Identity Theft Insurance is underwritten and administered by American Bankers Insurance Company of Florida, an Assurant company. Please refer to the actual policies for terms, conditions, and exclusions of coverage. Coverage may not be available in all jurisdictions.

## **Information about Identity Theft Protection**

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 Massachusetts:** You also have the right to obtain a police report.

**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 (for Non-Massachusetts Residents):** 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:

Equifax: P.O. Box 105788, Atlanta, GA 30348, [www.equifax.com](http://www.equifax.com)  
Experian: P.O. Box 9554, Allen, TX 75013, [www.experian.com](http://www.experian.com)  
TransUnion LLC: P.O. Box 2000, Chester, PA, 19022-2000, [freeze.transunion.com](http://freeze.transunion.com)

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.

**Credit Freezes (for Massachusetts Residents):** Massachusetts law gives you the right to place a security freeze on your consumer reports. A security freeze is designed to prevent credit, loans and services from being approved in your name without your consent. Using a security freeze, however, may delay your ability to obtain credit. You may request that a freeze be placed on your credit report by sending a request to a credit reporting agency by certified mail, overnight mail or regular stamped mail to the address below:

|                 |                                                                                                          |
|-----------------|----------------------------------------------------------------------------------------------------------|
| 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> |

*Unlike a fraud alert, you must separately place a credit freeze on your credit file at each credit reporting company.* The following information should be included when requesting a security freeze (documentation for you and your spouse must be submitted when freezing a spouse's credit report): full name, with middle initial and any suffixes; Social Security number; date of birth (month, day and year); current address and previous addresses for the past five (5) years; and applicable fee (if any) or incident report or complaint with a law enforcement agency or the Department of Motor Vehicles. The request should also include a copy of a government-issued identification card, such as a driver's license, state or military ID card, and a copy of a utility bill, bank or insurance statement. Each copy should be legible, display your name and current mailing address, and the date of issue (statement dates must be recent). The credit reporting company may charge a reasonable fee of up to \$5 to place a freeze or lift or remove a freeze, unless you are a victim of identity theft or the spouse of a victim of identity theft, and have submitted a valid police report relating to the identity theft to the credit reporting company.