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March 1, 2023

VIA ELECTRONIC DELIVERY

Office of the Attorney General
Attn: Security Breach Notification
200 St. Paul Place
Baltimore, MD 21202
Email: Idtheft@oag.state.md.us

Re: Notice of Data Security Incident

Dear Attorney General Brown,

I write on behalf of my client, Figure Lending LLC, located at 650 S. Tryon Street, 8th Floor, Charlotte, NC 28202 ("Figure"), to inform you of a recent event that may affect the security of the personal information of one Maryland resident.

Figure recently detected an unusually large volume of failed login attempts. Figure quickly took steps to investigate and, on around February 7, 2023, it determined that, beginning around January 18, 2023 until February 12, 2023, an unauthorized third party had used a list of usernames and passwords, likely obtained from some other source, to successfully log into Figure customer accounts. Figure's systems were not compromised. Figure's investigation to date has determined that, in addition to the username and password, the unauthorized third party may have viewed customer information, including first and last name, account number, phone number, and a government issued identification document.

On or about March 1, 2023, Figure sent a notification letter, in the same or substantially similar form as enclosed herein, to the Maryland resident.

Please do not hesitate to contact me if you have any questions regarding this matter.

Sincerely,

WILSON SONSINI GOODRICH & ROSATI
Professional Corporation

Megan Kayo

Enclosure

Re: Notice of Security Incident

Dear Valued Customer,

We are writing to inform you of a security incident affecting your Figure Lending LLC ("Figure") account which has impacted your information. Please read this letter carefully and contact us with any questions.

What happened? On January 18, 2023, Figure detected an unusually large volume of failed login attempts to customer accounts. We quickly took steps to investigate and, on around February 7, 2023, determined that from around January 18, 2023 to until approximately February 12, 2023, an unauthorized third party had used a list of usernames and passwords, likely obtained from some other source, to successfully log into our customers' accounts. Our own systems were not compromised. However, we strongly believe that an unauthorized third party knows and has utilized your username and password for your account. This username and password combination may potentially also be known to others.

What information was involved? In addition to your username and password, the unauthorized third party may have viewed your first name, last name, account number, phone number, and a government issued identification document.

What are we doing? For your security, we have reset your account password. In addition, we took numerous measures to counter the efforts of this unauthorized third party and to impede their efforts to validate credentials and access accounts. We have implemented multi-factor authentication, which will be required to access your account.

What can you do? We recommend urgently changing your password, not only with Figure, but also on all other sites where you may have used the same password.

Practicing password hygiene — such as changing passwords on a regular basis, not using the same password more than once, and using unique and complex passwords — is highly recommended, and makes it less likely an unauthorized third party could gain access to accounts across services that use the same password.

For More Information. We deeply regret that this happened and any concern that this situation has caused. This notification was not delayed due to a law enforcement investigation. We take this situation seriously and have taken and continue to take steps designed to prevent this type of incident from happening in the future.

If you have questions, please contact us at help@figure.com or 888.819.6388.

Sincerely,

Padrick Doyle
Chief Information Security Officer

Additional Resources

- **Contact information for the three nationwide credit reporting agencies:**

Equifax, PO Box 740241, Atlanta, GA 30374, www.equifax.com, 1-800-685-1111

Experian, PO Box 2104, Allen, TX 75013, www.experian.com, 1-888-397-3742

TransUnion, PO Box 2000, Chester, PA 19016, www.transunion.com, 1-800-888-4213

- **Free Credit Report.** It is recommended that you remain vigilant by reviewing account statements and monitoring your credit report for unauthorized activity, especially activity that may indicate fraud and identity theft. You may obtain a copy of your credit report, free of charge, once every 12 months from each of the three nationwide credit reporting agencies.

To order your annual free credit report please visit **www.annualcreditreport.com** or call toll free at **1-877-322-8228**.

You can also order your annual free credit report by mailing a completed Annual Credit Report Request Form (available from the U.S. Federal Trade Commission's ("FTC") website at www.consumer.ftc.gov) to:

Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348-5281.

For Colorado, Georgia, Maine, Maryland, Massachusetts, New Jersey, Puerto Rico, and Vermont residents: You may obtain one or more (depending on the state) additional copies of your credit report, free of charge. You must contact each of the credit reporting agencies directly to obtain such additional report(s).

- **Fraud Alerts.** There are two types of fraud alerts 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 one year. You may have an extended alert placed on your credit report if you have already been a victim of identity theft and you have 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 contacting any of the three national credit reporting agencies.
- **Security Freeze.** You have the ability to place a security freeze, also known as a credit freeze, on your credit report free of charge.

A security freeze is intended to prevent credit, loans and services from being approved in your name without your consent. To place a security freeze on your credit report, you may use an online process, an automated telephone line, or submit a written request to any of the three credit reporting agencies listed above. The following information must be included when requesting a security freeze (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 5 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, and display your name, current mailing address, and the date of issue.

- **Federal Trade Commission and State Attorneys General Offices.** If you believe you are the victim of identity theft or have reason to believe your personal information has been misused, you should immediately contact the Federal Trade Commission and/or the Attorney General's office in your home state. You may also contact these agencies for information on how to prevent or minimize the risks of identity theft.

You may contact the **Federal Trade Commission**, Consumer Response Center, 600 Pennsylvania Avenue, NW, Washington, DC 20580, www.ftc.gov/bcp/edu/microsites/idtheft/, 1-877-IDTHEFT (438-4338).

For Connecticut residents: You may contact the Connecticut Office of the Attorney General, 165 Capitol Avenue, Hartford, CT 06106, 1-860-808-5318, www.ct.gov/ag.

For Maryland residents: You may contact the Maryland Office of the Attorney General, Consumer Protection Division, 200 St. Paul Place, Baltimore, MD 21202, www.oag.state.md.us, 1-888-743-0023.

For Massachusetts residents: You may contact the Office of the Massachusetts Attorney General, 1 Ashburton Place, Boston, MA 02108, 1-617-727-8400, www.mass.gov/ago/contact-us.html

For New York residents: The Attorney General may be contacted at: Office of the Attorney General, The Capitol, Albany, NY 12224-0341; 1-800-771-7755; <https://ag.ny.gov/>.

For North Carolina residents: You may contact the North Carolina Office of the Attorney General, Consumer Protection Division, 9001 Mail Service Center, Raleigh, NC 27699-9001, www.ncdoj.gov, 1-877-566-7226.

- **Reporting of identity theft and obtaining a police report.**

For Iowa residents: You are advised to report any suspected identity theft to law enforcement or to the Iowa Attorney General.

For Massachusetts residents: You have the right to obtain a police report if you are a victim of identity theft.

For Oregon residents: You are advised to report any suspected identity theft to law enforcement, the Federal Trade Commission, and the Oregon Attorney General.