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June 22, 2023

VIA E-MAIL [IDTHEFT@OAG.STATE.MD.US]

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

Re: Notice of Data Security Incident

Dear Sir or Madam:

We are writing on behalf of our client, Arc Home LLC (“Arc”), to notify your office of an incident involving six (6) Maryland residents. Arc is a nationwide residential lender and servicer located in Mount Laurel, NJ.

Arc recently concluded an investigation into an incident involving unauthorized access to certain employee email accounts. Upon discovering the incident, Arc immediately took steps to ensure its email environment was secure and reported the incident to law enforcement. A thorough investigation was conducted, which revealed unauthorized access to certain employee email accounts. The investigation was unable to identify whether any items were viewed or accessed by the unauthorized individual. Arc reviewed the contents, and on May 23, 2023, Arc determined that an email or attachment contained the personal information of six (6) Maryland residents, including their names and one or more of the following: (1) financial account number; (2) Social Security number; or (3) U.S. alien registration number.

Beginning today, June 22, 2023, Arc is providing notice via United States Postal Service First-Class mail to the Maryland residents whose information was identified, in accordance with Md. Code Ann., Com. Law § 14-3504. A sample copy of the notification letter is enclosed. Arc is offering the Maryland residents a complimentary, one-year membership to identity theft protection services provided by Kroll. Arc also established a dedicated phone number that notification letter recipients may call to obtain more information regarding the incident.

To help prevent a similar incident from occurring in the future, Arc has implemented additional measures to enhance the security of its email environment.

Attorney General Anthony G. Brown
June 22, 2023
Page 2

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

Sincerely,

A handwritten signature in blue ink, appearing to read "David B. Sherman". The signature is fluid and cursive, with the first name "David" being more prominent.

David B. Sherman
Partner

Enclosure



Arc Home LLC
3001 Leadenhall Road, Suite 301
Mount Laurel, NJ 08054
www.archomellc.com
NMLS #81386

<<Date>> (Format: Month Day, Year)

<<first_name>> <<middle_name>> <<last_name>> <<suffix>>
<<address_1>>
<<address_2>>
<<city>>, <<state_province>> <<postal_code>>
<<country>>

Dear <<first_name>>:

Arc Home is committed to protecting the confidentiality and security of the personal information we maintain. I am writing to inform you of a data security incident that involved some of your information. This notice explains the incident, the measures we have taken, and some steps you may consider taking in response.

By way of background, Arc Home received and was in possession of your personal information as a result of either: (i) an application for mortgage financing you and/or a family member made with Arc Home or with another mortgage originator; or (ii) your employment with or the receipt of health and welfare benefits through a plan sponsored by Arc Home. To the extent you applied for mortgage financing with a mortgage originator other than Arc Home, your information was shared with us in connection with that mortgage originator's sale (or anticipated sale) of the mortgage loan to Arc Home. The sale and purchase of the mortgage loan was conducted in the ordinary course of business in the secondary mortgage market in accordance with applicable requirements.

We recently concluded an investigation into an incident involving unauthorized access to certain employee email accounts. Upon discovering the incident, we immediately took steps to ensure our email environment was secure and reported the incident to law enforcement. A thorough investigation was conducted, which revealed unauthorized access to certain employee email accounts. The investigation was unable to identify whether any items were viewed or accessed by the unauthorized individual. We reviewed the contents, and on May 23, 2023, we determined that an email or attachment contained your <<b2b_text_1 (data elements)>>.

We arranged for you to receive a complimentary, one-year membership of identity monitoring services through Kroll. Kroll is a global leader in risk mitigation and response, and their team has extensive experience helping people who have sustained an unintentional exposure of confidential data. Your identity monitoring services include Credit Monitoring, Fraud Consultation, and Identity Theft Restoration. These services are completely free to you and activating these services will not hurt your credit score. For more information on identity theft prevention, additional steps you can take in response, and instructions on how to activate your complimentary, one-year membership, please see the information provided with this letter.

We regret any inconvenience or concern this incident may have caused. To help prevent a similar incident from occurring in the future, we implemented additional measures to enhance the security of our email environment. If you have any questions about the incident, please feel free to contact our dedicated helpline at <<Call Center Number>> from 9:00 a.m. to 6:30 p.m. Eastern Time, Monday through Friday, excluding major U.S. holidays.

Sincerely,

Nazim Ahmed
Executive Vice President & Chief Information Officer
Arc Home LLC

ACTIVATION INSTRUCTIONS

We have secured the services of Kroll to provide identity monitoring at no cost to you for one year. Kroll is a global leader in risk mitigation and response, and their team has extensive experience helping people who have sustained an unintentional exposure of confidential data. Your identity monitoring services include Credit Monitoring, Fraud Consultation, and Identity Theft Restoration.

Visit <https://enroll.krollmonitoring.com> to activate and take advantage of your identity monitoring services.

You have until <<b2b_text_6 (activation date)>> to activate your identity monitoring services.

Membership Number: <<Membership Number s_n>>

For more information about Kroll and your Identity Monitoring services, you can visit info.krollmonitoring.com.



TAKE ADVANTAGE OF YOUR IDENTITY MONITORING SERVICES

You have been provided with access to the following services from Kroll:

Triple Bureau Credit Monitoring

You will receive alerts when there are changes to your credit data at any of the three national credit bureaus—for instance, when a new line of credit is applied for in your name. If you do not recognize the activity, you'll have the option to call a Kroll fraud specialist, who will be able to help you determine if it is an indicator of identity theft.

Fraud Consultation

You have unlimited access to consultation with a Kroll fraud specialist. Support includes showing you the most effective ways to protect your identity, explaining your rights and protections under the law, assistance with fraud alerts, and interpreting how personal information is accessed and used, including investigating suspicious activity that could be tied to an identity theft event.

Identity Theft Restoration

If you become a victim of identity theft, an experienced Kroll licensed investigator will work on your behalf to resolve related issues. You will have access to a dedicated investigator who understands your issues and can do most of the work for you. Your investigator will be able to dig deep to uncover the scope of the identity theft, and then work to resolve it.

Kroll's activation website is only compatible with the current version or one version earlier of Chrome, Firefox, Safari and Edge.

To receive credit services, you must be over the age of 18 and have established credit in the U.S., have a Social Security number in your name, and have a U.S. residential address associated with your credit file.

ADDITIONAL STEPS YOU CAN TAKE

We remind you it is always advisable to be vigilant for incidents of fraud or identity theft by reviewing your account statements and free credit reports for any unauthorized activity over the next 12 to 24 months. You may obtain a copy of your credit report, free of charge, once every 12 months from each of the three nationwide credit reporting companies. To order your annual free credit report, please visit www.annualcreditreport.com or call toll free at 1-877-322-8228. Contact information for the three nationwide credit reporting companies is as follows:

- *Equifax*, PO Box 740241, Atlanta, GA 30374, www.equifax.com, 1-888-378-4329
- *Experian*, PO Box 2002, Allen, TX 75013, www.experian.com, 1-888-397-3742
- *TransUnion*, PO Box 1000, Chester, PA 19016, www.transunion.com, 1-800-916-8800

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 state. You can obtain information from these sources about steps an individual can take to avoid identity theft as well as information about fraud alerts and security freezes. You should also contact your local law enforcement authorities and file a police report. Obtain a copy of the police report in case you are asked to provide copies to creditors to correct your records. Contact information for the Federal Trade Commission is as follows:

- *Federal Trade Commission*, Consumer Response Center, 600 Pennsylvania Avenue NW, Washington, DC 20580, 1-877-IDTHEFT (438-4338), www.identitytheft.gov.

Fraud Alerts and Credit or Security Freezes:

Fraud Alerts: There are two types of general 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 one year. 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.

To place a fraud alert on your credit reports, contact one of the nationwide credit bureaus. A fraud alert is free. The credit bureau you contact must tell the other two, and all three will place an alert on their versions of your report.

For those in the military who want to protect their credit while deployed, an Active-Duty Military Fraud Alert lasts for one year and can be renewed for the length of your deployment. The credit bureaus will also take you off their marketing lists for pre-screened credit card offers for two years, unless you ask them not to.

Credit or Security Freezes: You have the right to put a credit freeze, also known as a security freeze, on your credit file, free of charge, which makes it more difficult for identity thieves to open new accounts in your name. That's because most creditors need to see your credit report before they approve a new account. If they can't see your report, they may not extend the credit.

How do I place a freeze on my credit reports? There is no fee to place or lift a security freeze. Unlike a fraud alert, you must separately place a security freeze on your credit file at each credit reporting company. For information and instructions to place a security freeze, contact each of the credit reporting agencies at the addresses below:

- **Experian Security Freeze**, PO Box 9554, Allen, TX 75013, www.experian.com
- **TransUnion Security Freeze**, PO Box 160, Woodlyn, PA 19094, www.transunion.com
- **Equifax Security Freeze**, PO Box 105788, Atlanta, GA 30348, www.equifax.com

You'll need to supply your name, address, date of birth, Social Security number and other personal information.

After receiving your freeze request, each credit bureau will provide you with a unique PIN (personal identification number) or password. Keep the PIN or password in a safe place. You will need it if you choose to lift the freeze.

How do I lift a freeze? A freeze remains in place until you ask the credit bureau to temporarily lift it or remove it altogether. If the request is made online or by phone, a credit bureau must lift a freeze within one hour. If the request is made by mail, then the bureau must lift the freeze no later than three business days after getting your request.

If you opt for a temporary lift because you are applying for credit or a job, and you can find out which credit bureau the business will contact for your file, you can save some time by lifting the freeze only at that particular credit bureau. Otherwise, you need to make the request with all three credit bureaus.

Arc Home LLC's mailing address is 3001 Leadenhall Road, Suite 301, Mt. Laurel, NJ 08054 and its phone number is (844) 851-3600.

Additional information for residents of the following states:

Maryland: You may contact and obtain information from your state attorney general at: *Maryland Attorney General's Office*, 200 St. Paul Place, Baltimore, MD 21202, 1-888-743-0023 / 1-410-576-6300, www.oag.state.md.us.

New York: You may contact and obtain information from these state agencies: *New York Department of State Division of Consumer Protection*, One Commerce Plaza, 99 Washington Ave., Albany, NY 12231-0001, 518-474-8583 / 1-800-697-1220, <http://www.dos.ny.gov/consumerprotection>; and *New York State Office of the Attorney General*, The Capitol, Albany, NY 12224-0341, 1-800-771-7755, <https://ag.ny.gov>.

North Carolina: You may contact and obtain information from your state attorney general at: *North Carolina Attorney General's Office*, 9001 Mail Service Centre, Raleigh, NC 27699, 1-919-716-6000 / 1-877-566-7226, www.ncdoj.gov.

Rhode Island: This incident involves two individuals in Rhode Island. Under Rhode Island law, you have the right to file and obtain a copy of a police report. You also have the right to request a security freeze, as described above. You may contact and obtain information from your state attorney general at: *Rhode Island Attorney General's Office*, 150 South Main Street, Providence, RI 02903, 1-401-274-4400, www.riag.ri.gov.