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August 21, 2023

BY E-MAIL (IDTHEFT@OAG.STATE.MD.US)

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

Re: PennyMac Loan Services LLC Vendor Security Breach

To Whom it May Concern,

We write on behalf of our client, PennyMac Loan Services, LLC. On July 28, 2023, a vendor notified PennyMac that it experienced a security incident caused by one of the vendor's own suppliers. We are providing the Attorney General notification of this security incident pursuant to the Maryland Personal Information Protection Act, MD. COMM. L. CODE ANN. § 14-3504.

PennyMac uses a vendor, Sovos Compliance LLC, to perform escheatment services on its behalf. Sovos provided the following description of the security incident: Progress Software is one of Sovos's vendors. On May 31, 2023, Progress Software announced a previously unknown vulnerability in its MOVEit Transfer application (SecureFT), which Sovos utilizes as part of its Unclaimed Property Premium Services, Enhanced Services, and Consulting Services. Sovos became aware of unauthorized activity on May 30, 2023, immediately took the affected application offline, and activated its incident response procedures. Sovos retained outside advisors and cybersecurity experts to assist in the evaluation of the situation and notified law enforcement. On June 12, 2023, Sovos determined that the incident was limited to the MOVEit application it uses to deliver a subset of its services. MOVEit is cloud-based and segmented from Sovos' corporate network and other cloud resources. Other Sovos systems and services were not affected. Sovos's investigation found that unauthorized actors exploited the then-unknown MOVEit vulnerability to download files containing personal information on May 30, 2023.

On July 28, 2023 Sovos notified PennyMac that certain PennyMac customers were affected by the security incident. The investigation indicates the customer personal information impacted includes customer name, address, social security number, and loan number.

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CONFIDENTIAL TREATMENT REQUESTED

Sovos's investigation to date has determined that **one (1)** of PennyMac's Maryland customers was affected. Sovos intends to notify this individual on PennyMac's behalf and is in the process of sending the notification letters, a template of which is attached to this letter. Sovos intends to offer this individual 24 months of complimentary identity monitoring services, including credit monitoring and identify theft restoration services. Sovos also intends to establish a dedicated call center to answer questions related to this incident.

Sovos informed PennyMac that it deployed additional security measures and tools to strengthen the ongoing security of its network. Sovos continues investigating and we will notify the Attorney General if the investigation results in any material changes to the details of this letter. Sovos is mailing the notification to the affected Maryland resident on or about August 21, 2023.

The information in this letter is proprietary and confidential and we respectfully request that the Attorney General afford it confidential treatment. If you have any questions please do not hesitate to contact us at thomas.kearney@akerman.com or (202) 824-1777.

Very truly yours,

Akerman LLP

By:

Name: Thomas Kearney

Title: Partner



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

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

<<b2b_text_1 (Notice of [Data Breach / Security Event])>>

Dear <<first_name>> <<middle_name>> <<last_name>> <<suffix>>,

We're writing to inform you that some of your personal information was recently involved in a security incident. Please read this notice carefully, as it provides up-to-date information on what happened, what we are doing in response, and no-cost support services available to you.

What happened?

We provide services to financial services companies, and you have an account with one of our customer companies. On May 31, 2023, one of our software vendors – Progress Software – announced a previously unknown vulnerability in its MOVEit Transfer application (SecureFT), which is an application we use to provide services to our customers. When we became aware of this incident, which occurred on May 30, 2023, we immediately took the affected application offline and activated our incident response procedures. We retained outside advisors and cybersecurity experts to assist in the evaluation of the situation, and we notified law enforcement. We recently determined that unauthorized actors exploited the then-unknown MOVEit vulnerability to download a file containing some of your personal information. We completed our review of the security incident and notified our customer, PennyMac Loan Services, LLC, on July 28, 2023 that your information was accessed without authorization.

What information was involved?

The unauthorized third party downloaded a file that included your <<b2b_text_2 (Data Elements)>>.

What are we doing?

We are offering two years of complimentary credit monitoring and identity restoration services through Kroll Information Assurance. To take advantage of these credit monitoring and identity restoration services, please follow the instructions in [Attachment A](#). You must enroll by <<b2b_text_6 (activation date)>> to receive these services. In addition to these actions, Sovos has deployed additional security measures and tools with the guidance of third-party experts to strengthen the ongoing security of our network.

What can you do?

It is always advisable to remain vigilant against attempts at identity theft or fraud, which includes carefully reviewing online and financial accounts, credit reports, and Explanations of Benefits ("EOBs") from your health insurers for suspicious activity. If you identify suspicious activity, you should contact the company that maintains the account on your behalf. Additional information about how to protect your identity is contained in [Attachment B](#).

For more information:

Sovos has established a dedicated call center to answer questions. If you have any questions regarding this incident or the services available to you, please call (866) 373-7132 Monday through Friday from 9:00am to 6:30pm Eastern Time, excluding major U.S. holidays.

Sincerely,

Sovos Compliance, LLC

Attachment A - Identity Monitoring Services

We have secured the services of Kroll to provide identity monitoring at no cost to you for two years. 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.

How to Activate Your Identity Monitoring Services

1. Visit <https://enroll.krollmonitoring.com> to activate and take advantage of your identity monitoring services.
2. You have until <<b2b_text_6 (activation date)>> to activate your identity monitoring services.
3. Membership Number: <<Membership Number s_n>>



Take Advantage of Your Identity Monitoring Services

You've been provided with access to the following services¹ from Kroll:

Single Bureau Credit Monitoring

You will receive alerts when there are changes to your credit data—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.

¹ 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.

Attachment B – Information for U.S. Residents

Below are additional helpful tips you may want to consider to protect your personal information.

Review Your Credit Reports and Account Statements; Notify Law Enforcement of Suspicious Activity

As a precautionary measure, we recommend that you remain vigilant by reviewing your credit reports and account statements closely. If you detect any suspicious activity on an account, you should promptly notify the financial institution or other company with which the account is maintained. You also should promptly report any fraudulent activity or any suspected incidents of identity theft to proper law enforcement authorities. 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 law enforcement, the Federal Trade Commission ("FTC") and/or the Attorney General's office in your home state. You can also contact these agencies for information on how to prevent or avoid identity theft, and you can contact the FTC at:

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

Copy of Credit Report

You may obtain a free copy of your credit report from each of the three major credit reporting agencies once every 12 months by visiting <https://www.annualcreditreport.com>, calling toll-free 877-322-8228, or by completing an Annual Credit Report Request Form and mailing it to the Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348-5281. You can print this form at <https://www.annualcreditreport.com/manualRequestForm.action>. Credit reporting agency contact details are provided below.

Equifax:
equifax.com
equifax.com/personal/credit-report-services
P.O. Box 740241
Atlanta, GA 30374
800-685-1111

Experian:
experian.com
experian.com/help
P.O. Box 2002
Allen, TX 75013
888-397-3742

TransUnion:
transunion.com
transunion.com/credit-help
P.O. Box 1000
Chester, PA 19016
888-909-8872

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

Fraud Alert

You may want to consider placing a fraud alert on your credit file. An initial fraud alert is free and will stay on your credit file for at least 90 days. The alert informs creditors of possible fraudulent activity within your report and requests that the creditor contact you prior to establishing any accounts in your name. If you have already been a victim of identity theft, you may have an extended alert placed on your report if you provide the appropriate documentary proof. An extended fraud alert stays on your credit report for seven years. To place a fraud alert on your credit report, contact any of the three credit reporting agencies identified above.

Security Freeze

You have the right to place a security freeze on your credit file free of charge. This will prevent new credit from being opened in your name without the use of a PIN number that is issued to you when you initiate the freeze. A security freeze is designed to prevent credit, loans, and services from being approved in your name without your consent. As a result, using a security freeze may delay your ability to obtain credit. In order to place a security freeze, you may be required to provide the consumer reporting agency with information that identifies you including your full name; social security number; date of birth; current and previous addresses; a copy of your state-issued identification card; and a recent utility bill, bank statement, or telephone bill.

Federal Fair Credit Reporting Act Rights

The Fair Credit Reporting Act ("FCRA") is federal legislation that regulates how consumer reporting agencies use your information. It promotes the accuracy, fairness, and privacy of consumer information in the files of consumer reporting agencies. As a consumer, you have certain rights under the FCRA, which the FTC has summarized as follows: you must be told if information in your file has been used against you; you have the right to know what is in your file; you have the right to ask for a credit score; you have the right to dispute incomplete or inaccurate information; consumer reporting agencies must correct or delete inaccurate, incomplete, or unverifiable information; consumer reporting agencies may not report outdated negative information; access to your file is limited; you must give your consent for reports to be provided to employers; you may limit "prescreened" offers of credit and insurance you get based on information in your credit report; and you may seek damages from violators. Identity theft victims and active-duty military personnel have additional rights.

For more information about these rights, you may go to www.ftc.gov/credit or write to: Consumer Response Center, Room 13-A, Federal Trade Commission, 600 Pennsylvania Avenue N.W., Washington, D.C. 20580.

Additional Information

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 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 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.

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 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 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

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.