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September 22, 2023

VIA EMAIL

Attorney General Anthony G. Brown
Office of the Attorney General
St. Paul Plaza
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:

Constangy, Brooks, Smith & Prophete, LLP (“Constangy”) represents LCS Financial Services (“LCS”), a full-service nationwide debt collection agency located in Centennial, Colorado, in connection with a data security incident described in greater detail below. The purpose of this letter is to notify you of the incident in accordance with Maryland’s data breach notification statute.

1. Nature of the Security Incident

On February 25, 2023, LCS became aware of unusual activity that disrupted access to certain systems. Upon discovering this activity, LCS immediately took steps to secure its network and launched an investigation with the assistance of independent cybersecurity experts to determine what happened. The investigation subsequently revealed that certain personal information was acquired without authorization on or about February 24, 2023. LCS then engaged a third-party vendor to commence a comprehensive review of the affected data to determine whether any sensitive data was involved and whether personal information may have been affected.

The investigation is ongoing. However, on August 23, 2023, LCS confirmed that personal information belonging to certain individuals was involved. LCS then took steps to notify those impacted individuals of the incident as quickly as possible. Another round of notification is pending.

Please note that we have no current evidence to suggest misuse or attempted misuse of personal information involved.

2. Number of Affected Maryland Residents & Information Involved

The incident involved personal information for approximately 2,958 Maryland residents. The information involved in the incident may differ depending on the individual but may include the following for affected Maryland residents: name, Social Security number, driver's license number, and tax identification number.

3. Notification of Affected Individuals

On September 22, 2023, notification letters were mailed to affected Maryland residents by USPS First Class Mail. The notification letter provides resources and steps individuals can take to help protect their information. The notification letter also offers twelve (12) months of complimentary identity protection services to each individual whose personal information was affected by this event, including credit monitoring, \$1 million identity fraud loss reimbursement policy, and fully managed identity theft recovery services. Those services are offered by IDX, a company specializing in fraud assistance and remediation services. IDX will also support a call center for 90 days to answer questions and assist with enrollment. A sample copy of the notification letter sent to the impacted individuals is included with this correspondence.

3. Steps Taken to Address the Incident

In response to the incident, LCS retained cybersecurity experts and launched a forensics investigation to determine the source and scope of the compromise. LCS also implemented additional security measures to further harden its digital environment in an effort to prevent a similar event from occurring in the future. Additionally, LCS has reported the incident to the FBI and will cooperate with any resulting investigation.

Finally, LCS is notifying the affected individuals and providing them with steps they can take to protect their personal information as discussed above.

4. Contact Information

LCS remains dedicated to protecting the information in its control. If you have any questions or need additional information, please do not hesitate to contact me at DMaddux@Constangy.com or 503.312.6251.

Sincerely,



Donna Maddux of
CONSTANGY, BROOKS, SMITH & PROPHETE LLP

Enclosure: Consumer Notification Letter



Return to IDX:
P.O. Box 989728
West Sacramento, CA 95798-9728

<<FIRST NAME>> <<LAST NAME>>
<<ADDRESS1>>
<<ADDRESS2>>
<<CITY>>, <<STATE>> <<ZIP>>
<<Country>>

Enrollment Code: <<ENROLLMENT>>

To Enroll, Scan the QR Code Below:



Or Visit:

<https://response.idx.us/lcs>

September 22, 2023

Subject: Notice of Data <<Variable Text 1 – Breach or Security Incident>>

Dear <<FIRST NAME>> <<LAST NAME>>:

We are writing to notify you of cybersecurity incident at LCS Financial Services (“LCS”) that affected your personal information. LCS is a full-service nationwide debt collection agency. Please read this letter carefully as it contains details about the incident and resources you can utilize to protect your information, including instructions for enrolling in complimentary credit monitoring and identity theft protection services.

What Happened? On February 25, 2023, LCS became aware of unusual activity that disrupted access to certain systems. Upon discovering this activity, LCS immediately took steps to secure our network and launched an investigation with the assistance of independent cybersecurity experts to determine what happened. The investigation subsequently revealed that certain personal information was acquired without authorization on or about February 24, 2023. We then engaged a third-party vendor to commence a comprehensive review of the affected data to determine whether any sensitive data was involved and whether personal information may have been affected. On August 23, 2023, we concluded that review and confirmed that your personal information was involved. We then took steps to notify you of the incident as quickly as possible. Please note that LCS has no evidence of any actual or suspected misuse of information involved in this incident.

What Information Was Involved? The information involved this incident may have included your name and your <<Variable Text 2 – Data Elements>>.

What We Are Doing: As soon as we discovered this incident, we took steps to secure our environment and enlisted a leading, independent cybersecurity firm to conduct a forensic investigation. We also reported the incident to the FBI and will cooperate with any resulting investigation. In addition, we have implemented several measures to enhance our security posture and reduce the risk of similar future incidents.

We are also offering you access to complimentary credit monitoring and identity theft protection services through IDX – a data breach and recovery services expert. These services include: <<12/24>> months of credit¹ and CyberScan monitoring, a \$1,000,000 insurance reimbursement policy, and fully managed identity theft recovery services. With this protection, IDX will help you resolve issues if your identity is compromised.

¹ To receive credit monitoring 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.

To enroll, please call (888) 585-6462, visit <https://response.idx.us/lcs>, or scan the QR image above and provide the enrollment code at the top of this page. Please note you must enroll by December 22, 2023. You will need to reference the enrollment code at the top of this letter when calling or enrolling online, so please do not discard this letter.

What You Can Do: We encourage you to enroll in the credit protection services we are offering, which are at no cost to you. Please also review the guidance at the end of this letter which includes additional resources you may utilize to help protect your information.

For More Information: If you have questions or need assistance, please go to <https://response.idx.us/lcs> or contact (888) 585-6462, Monday through Friday from 8:00 a.m. to 8:00 p.m. Central Time, excluding major U.S. holidays. IDX representatives are fully versed on this incident and can help answer questions you may have regarding the protection of your information.

Please accept our sincere apologies and know that we deeply regret any worry or inconvenience that this may cause you.

Very truly yours,

Leo Stawiarski Jr.

Leo Stawiarski Jr. President
LCS Financial Services
6782 S. Potomac St.
Centennial, CO 80112

STEPS YOU CAN TAKE TO HELP PROTECT YOUR INFORMATION

Review Your Account Statements and Notify Law Enforcement of Suspicious Activity: As a precautionary measure, we recommend that you remain vigilant by reviewing your account statements and credit reports closely. If you detect any suspicious activity on an account, you should promptly notify the financial institution or company with which the account is maintained. You also should promptly report any fraudulent activity or any suspected incidence of identity theft to proper law enforcement authorities, your state attorney general, and/or the Federal Trade Commission (FTC).

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 <http://www.annualcreditreport.com/>, calling toll-free 1-877-322-8228, or by completing an Annual Credit Report Request Form and mailing it to Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348. You also can contact one of the following three national credit reporting agencies:

Equifax

P.O. Box 105851
Atlanta, GA 30348
1-800-525-6285
www.equifax.com

Experian

P.O. Box 9532
Allen, TX 75013
1-888-397-3742
www.experian.com

TransUnion

P.O. Box 1000
Chester, PA 19016
1-800-916-8800
www.transunion.com

Fraud Alert: You may want to consider placing a fraud alert on your credit report. An initial fraud alert is free and will stay on your credit file for at least one year. 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. To place a fraud alert on your credit report, contact any of the three credit reporting agencies identified above. Additional information is available at <http://www.annualcreditreport.com>.

Security Freeze: You have the right to put a security freeze on your credit file for up to one year at no cost. 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 potential creditors from accessing your credit report without your consent. As a result, using a security freeze may interfere with or delay your ability to obtain credit. You must separately place a security freeze on your credit file with each credit reporting agency. 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 insurance statement.

Additional Free Resources: You can obtain information from the consumer reporting agencies, the FTC, or from your respective state Attorney General about fraud alerts, security freezes, and steps you can take toward preventing identity theft. You may report suspected identity theft to local law enforcement, including to the FTC or to the Attorney General in your state.

Federal Trade Commission

600 Pennsylvania Ave, NW
Washington, DC 20580
consumer.ftc.gov, and
www.ftc.gov/idtheft
1-877-438-4338

Maryland Attorney General

200 St. Paul Place
Baltimore, MD 21202
oag.state.md.us
1-888-743-0023

New York Attorney General

Bureau of Internet and Technology
Resources
28 Liberty Street
New York, NY 10005
1-212-416-8433

North Carolina Attorney General

9001 Mail Service Center
Raleigh, NC 27699
ncdoj.gov
1-877-566-7226

Rhode Island Attorney General

150 South Main Street
Providence, RI 02903
<http://www.riag.ri.gov>
1-401-274-4400

Washington D.C. Attorney General

441 4th Street, NW
Washington, DC 20001
oag.dc.gov
1-202-727-3400

Illinois Attorney General

Attorney General Kwame Raoul
100 W Randolph Street
Chicago, IL 60601
1-866-999-5630t

Wisconsin Attorney General

Attorney General Josh Kaul
Consumer Protection Division
P.O. Box 7857
Madison, WI 53707-7857
Fax: (608) 267-2779

You also have certain rights under the Fair Credit Reporting Act (FCRA): These rights include to know what is in your file; to dispute incomplete or inaccurate information; to have consumer reporting agencies correct or delete inaccurate, incomplete, or unverifiable information; as well as other rights. For more information about the FCRA, and your rights pursuant to the FCRA, please visit <https://www.consumer.ftc.gov/articles/pdf-0096-fair-credit-reporting-act.pdf>.

IRS Identity Protection PIN: You can obtain an identity protection PIN (IP PIN) from the IRS that prevents someone else from filing a tax return using your Social Security number. The IP PIN is known only to you and the IRS and helps the IRS verify your identity when you file your electronic or paper tax return. You can learn more and obtain your IP PIN here: <https://www.irs.gov/identity-theft-fraud-scams/get-an-identity-protection-pin>.