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A PROFESSIONAL CORPORATION

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February 5, 2024

Via E-Mail:

Office of the Attorney General
200 St. Paul Place
Baltimore, Maryland 21202
Email: IDTheft@oag.state.md.us

RE: Notice of Data Security Incident

To Whom It May Concern:

We serve as counsel for Krystal BioTech, Inc. ("Krystal") located at 2100 Wharton St. #701, Pittsburgh, PA 15203, and provide this notification of a recent data security incident. By providing this notice, Krystal does not waive any rights or defenses under Maryland law, including the data breach notification statute.

On November 16, 2023, Krystal experienced a targeted attack via a third party that permitted an unauthorized party to gain access to a limited amount of Krystal data. In response, Krystal immediately began an investigation with the assistance of third-party specialists. Krystal also notified law enforcement. The investigation determined certain data on the Krystal network was accessed during the attack without authorization. Krystal conducted a thorough review of the potentially impacted data to determine the type of information contained therein and to whom the information related. Krystal completed its review on December 19, 2023 and determined personal information was impacted. Krystal began sending individual notification letters on January 30, 2023 via First Class mail, including to the residents of Maryland believe to be impacted to date.

Krystal determined approximately 6 individuals who may live in Maryland were potentially impacted by this incident. The type of information potentially impacted included name, Social Security number, driver's license information, and may include passport number, financial account information, and health insurance information.

The written notice letters include instructions to access complimentary credit monitoring and identity protection services for 12 months. A template copy of the individual notification letters sent to potentially impacted individuals in Maryland is attached hereto as *Exhibit A*.

In response to this incident, Krystal conducted a full forensic investigation, changed passwords, implemented new technical safeguards, and is continuing to review its policies and procedures related to data protection.

Thank you for your attention to this matter. Please contact me should you have any questions.

Very truly yours,

CIPRIANI & WERNER, P.C.

By: 

Hilary Higgins, Esq.

Exhibit A



4145 SW Watson Ave.
Suite 400
Beaverton, OR 97005

<<First Name>> <<Last Name >>
<<Address 1>><<Address 2>>
<<City>>, <<State>> <<Zip>>

Enrollment Code: <<XXXXXXXX>>
To Enroll, Scan the QR Code Below:



Or Visit:

<https://app.idx.us/account-creation/protect>

January 30, 2024

<<Notice of Data Breach >>

Dear <<First Name>> <<Last Name >>:

Krystal BioTech, Inc. ("Krystal") is writing in follow up to the emails you received on November 20, 2023 regarding a recent event at Krystal that may have impacted certain personal information of employees. This letter includes information about the incident, our response, and resources we are making available to you.

What Happened? On November 16, 2023, Krystal became aware of a targeted attack via a third party that permitted an unauthorized party to gain access to a limited amount of Krystal data. We immediately began an investigation with third party forensic specialists. We conducted a thorough review of the potentially impacted data to determine the type of information contained therein and to whom the information related. Krystal completed its review on November 21, 2023 and determined information related to you was potentially accessible.

What Information Was Involved? We determined that the information potentially impacted included your name, <<Data Elements>>.

What We Are Doing? In response to this incident, we reset passwords, disabled the unauthorized accounts, and conducted a full investigation into the incident. Additionally, in an abundance of caution, we are offering you access to complimentary credit monitoring and identity protection services through ID Experts. The enrollment information was provided to you on November 20, 2023 via your Krystal email account, and is also attached to this letter.

What You Can Do. If you have not already, we encourage you to enroll in the complimentary credit monitoring and identity protection services we are making available to you. Information about how to enroll in these services along with additional resources available to you are included in the attached *Steps You Can Take to Help Protect Your Information*.

For More Information. We understand you may have questions about this incident. You may call 1-800-939-4170 between 9:00 am – 9:00 pm Eastern Time or write to us at 2100 Wharton St. #701, Pittsburgh, PA 15203.

We sincerely regret any concern this incident may cause you. The privacy and security of information is important to us, and we will continue to take steps to protect information in our care.

Sincerely,
Krystal BioTech, Inc.

STEPS YOU CAN TAKE TO HELP PROTECT YOUR INFORMATION

Enroll in Credit Monitoring / Identity Protection

1. Website and Enrollment. Scan the QR image or go to <https://app.idx.us/account-creation/protect> and follow the instructions for enrollment using your Enrollment Code provided at the top of the letter. Please note the deadline to enroll is April 30, 2024.

2. Activate the credit monitoring provided as part of your IDX identity protection membership. The monitoring included in the membership must be activated to be effective. Note: You must have established credit and access to a computer and the internet to use this service. If you need assistance, IDX will be able to assist you.

3. Telephone. Contact IDX at 1-800-939-4170 to gain additional information about this event and speak with knowledgeable representatives about the appropriate steps to take to protect your credit identity.

4. Review your credit reports. We recommend that you remain vigilant by reviewing account statements and monitoring credit reports. Under federal law, you also are entitled every 12 months to one free copy of your credit report from each of the three major credit reporting companies. To obtain a free annual credit report, go to www.annualcreditreport.com or call 1-877-322-8228. You may wish to stagger your requests so that you receive a free report by one of the three credit bureaus every four months.

If you discover any suspicious items and have enrolled in IDX identity protection, notify them immediately by calling or by logging into the IDX website and filing a request for help.

If you file a request for help or report suspicious activity, you will be contacted by a member of our ID Care team who will help you determine the cause of the suspicious items. In the unlikely event that you fall victim to identity theft as a consequence of this incident, you will be assigned an ID Care Specialist who will work on your behalf to identify, stop and reverse the damage quickly.

You should also know that you have the right to file a police report if you ever experience identity fraud. Please note that in order to file a crime report or incident report with law enforcement for identity theft, you will likely need to provide some kind of proof that you have been a victim. A police report is often required to dispute fraudulent items. You can report suspected incidents of identity theft to local law enforcement or to the Attorney General.

Monitor Your Accounts

We encourage you to remain vigilant against incidents of identity theft and fraud by reviewing your credit reports/account statements and explanation of benefits forms for suspicious activity and to detect errors. Under U.S. law, you are entitled to one free credit report annually from each of the three major credit reporting bureaus, TransUnion, Experian, and Equifax. To order your free credit report, visit www.annualcreditreport.com or call 1-877-322-8228. Once you receive your credit report, review it for discrepancies and identify any accounts you did not open or inquiries from creditors that you did not authorize. If you have questions or notice incorrect information, contact the credit reporting bureau.

You have the right to place an initial or extended “fraud alert” on a credit file at no cost. An initial fraud alert is a one-year alert that is placed on a consumer’s credit file. Upon seeing a fraud alert, a business is required to take steps to verify the consumer’s identity before extending new credit. If you are a victim of identity theft, you are entitled to an extended fraud alert lasting seven years. Should you wish to place a fraud alert, please contact any of the three credit reporting bureaus listed below.

As an alternative to a fraud alert, you have the right to place a “credit freeze” on a credit report, which will prohibit a credit bureau from releasing information in the credit report without your express authorization. The credit freeze is designed to prevent credit, loans, and services from being approved in your name without your consent. However, you should be aware that using a credit freeze may delay, interfere with, or prohibit the timely approval of any subsequent request or application you make regarding a new loan, credit, mortgage, or any other account involving the extension of credit. Pursuant to federal law, you cannot be charged to place or lift a credit freeze on your credit report. To request a credit freeze, you will need to provide the following information:

1. Full name (including middle initial as well as Jr., Sr., III, etc.);
2. Social Security number;
3. Date of birth;
4. Address for the prior two to five years;
5. Proof of current address, such as a current utility or telephone bill;
6. A legible photocopy of a government-issued identification card (e.g., state driver's license or identification card); and
7. A copy of either the police report, investigative report, or complaint to a law enforcement agency concerning identity theft, if you are a victim of identity theft.

Should you wish to place a fraud alert or credit freeze, please contact the three major credit reporting bureaus listed below:

TransUnion 1-800-680-7289 www.transunion.com TransUnion Fraud Alert P.O. Box 2000 Chester, PA 19016-2000 TransUnion Credit Freeze P.O. Box 160 Woodlyn, PA 19094	Experian 1-888-397-3742 www.experian.com Experian Fraud Alert P.O. Box 9554 Allen, TX 75013 Experian Credit Freeze P.O. Box 9554 Allen, TX 75013	Equifax 1-888-298-0045 www.equifax.com Equifax Fraud Alert P.O. Box 105069 Atlanta, GA 30348-5069 Equifax Credit Freeze P.O. Box 105788 Atlanta, GA 30348-5788
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Additional Information

You can further educate yourself regarding identity theft, fraud alerts, credit freezes, and the steps you can take to protect your personal information by contacting the credit reporting bureaus, the Federal Trade Commission (FTC), or your state Attorney General. The FTC also encourages those who discover that their information has been misused to file a complaint with them. The FTC may be reached at 600 Pennsylvania Ave. NW, Washington, D.C. 20580; www.identitytheft.gov; 1-877-ID-THEFT (1-877-438-4338); and TTY: 1-866-653-4261.

You have the right to file a police report if you ever experience identity theft or fraud. Please note that in order to file a report with law enforcement for identity theft, you will likely need to provide some proof that you have been a victim. Instances of known or suspected identity theft should also be reported to law enforcement, your state Attorney General, and the FTC. This notice has not been delayed by law enforcement.

For Maryland residents, the Maryland Attorney General may be contacted at 200 St. Paul Place, 16th Floor, Baltimore, MD 21202; 1-888-743-0023; and www.oag.state.md.us. Krystal BioTech, Inc. may be contacted at 2100 Wharton St. #701, Pittsburgh, PA 15203.

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

For North Carolina residents, the North Carolina Attorney General may be contacted at 9001 Mail Service Center, Raleigh, NC 27699-9001; 1-877-566-7226 or 1-919-716-6000; and www.ncdoj.gov.

For Rhode Island residents, the Rhode Island Attorney General may be contacted at 150 South Main Street, Providence, RI 02903; 1-401-274-4400; and www.riag.ri.gov. Under Rhode Island law, you have the right to obtain any police report filed in regard to this incident. There are [X] Rhode Island residents impacted by this incident.