Return Mail Processing PO Box 589 Claysburg, PA 16625-0589

September 9, 2020



RE: Notice of Data Breach

Dear Sample A Sample:

We are writing to notify you of a Blackbaud data security incident that may have involved some of your personal information. Scholarship America takes the protection and proper use of your information very seriously; therefore, we are contacting you to explain the incident and measures taken to protect your information.

What Happened?

Scholarship America was notified on July 16, 2020 by our financial system database provider, Blackbaud, of a security incident in which they discovered and stopped a ransomware attack. However, prior to being locked out, the cybercriminals removed backup files from Blackbaud's cloud-based platform, which hosted data for numerous colleges, universities, health care organizations and other non-profit organizations, including Scholarship America. Blackbaud stated the hackers gained access to certain Blackbaud datacenters in February 2020, and it discovered the incident in May 2020.

What Information Was Involved?

As noted above, we have determined that the stolen Scholarship America data may have contained some of your personal information, including your EXTRA1. Blackbaud paid a ransom to the cybercriminal after working with third-party experts who received credible confirmation that the stolen files had been destroyed.

What's Being Done?

Blackbaud has hired outside experts to continue to monitor the Internet, including the dark web, and they have found no evidence that any information was ever released by the cybercriminal. Furthermore, Blackbaud plans to continue such monitoring activities for the foreseeable future.



What Can You Do?

As a best practice in today's world of cybercrime, we recommend that you continue to remain vigilant and report any suspicious activity or suspected identity theft to us and the proper law enforcement authorities.

We recommend that you review the attachment called *Preventing Identity Theft and Fraud* for more information on ways to protect yourself and your data. Also, to assist you in protecting your information, we are offering you a complimentary EXTRA2-year membership in in Experian's[®] IdentityWorksSM. This product provides you with identity protection services focused on immediate identification and resolution of identity theft. To activate your membership and start monitoring your personal information, please follow the steps below:

- Ensure that you enroll by: 12/31/2020 (Your code will not work after this date.)
- Visit the Experian IdentityWorks website to enroll: https://www.experianidworks.com/credit
- Provide your activation code: ABCDEFGHI

If you have questions about the product, need assistance with identity restoration or would like an alternative to enrolling in Experian IdentityWorks online, please contact Experian's customer care team at 1-877-890-9332 by December 31, 2020. Be prepared to provide engagement number ENGAGEMENT as proof of eligibility for the identity restoration services by Experian.

The Terms and Conditions for this service are located at www.ExperianIDWorks.com/restoration. You will also find self-help tips and information about identity protection at this site.

For More Information

In summary, our database provider, Blackbaud, had a data security incident that may have included some of your personal information, but Blackbaud confirmed that stolen files were ultimately destroyed. In an abundance of caution we are offering free credit monitoring services. We regret any inconvenience this incident may cause you. Should you have any further questions or concerns regarding this matter, you may contact Scholarship America at <u>inquiries@scholarshipamerica.org</u> or at 1-800-279-2039.

Sincerely,

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Robert C. Ballard President and CEO Scholarship America, Inc.

Preventing Identity Theft and Fraud

As a precautionary measure, we recommend that you remain vigilant to protect against potential fraud or identity theft by, among other things, reviewing your account statements and monitoring 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 should also promptly report any fraudulent activity or any suspected incidents of identity theft to proper law enforcement authorities, including the police and your state's attorney general, as well as the Federal Trade Commission ("FTC").

You may wish to review the tips provided by the FTC on fraud alerts, security/credit freezes and steps to you can take to avoid identity theft. For more information and to contact the FTC, please visit www.ftc.gov/idtheft or call 1-877-ID-THEFT (1-877-438-4338). You may also contact the FTC at: Federal Trade Commission, 600 Pennsylvania Avenue, NW, Washington, DC 20580.

<u>Credit Reports</u>: You may obtain a free copy of your credit report once every 12 months from each of the three national credit reporting agencies by visiting http://www.annualcreditreport.com, by 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 can print a copy of the request form at https://www.annualcreditreport.com/cra/requestformfinal.pdf.

Alternatively, you may elect to obtain or purchase a copy of your credit report by contacting one of the three national credit reporting agencies. Contact these national credit reporting agencies to request a copy of your credit report or for general inquiries, including obtaining information about fraud alerts and placing a security freeze on your credit files. Contact information for these agencies is as follows:

Equifax	Experian	TransUnion
1-800-349-9960	1-888-397-3742	1-888-909-8872
www.equifax.com	www.experian.com	www.transunion.com
P.O. Box 105788	P.O. Box 9554	P.O. Box 2000
Atlanta, GA 30348	Allen, TX 75013	Chester, PA 19022

Fraud Alerts: 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 90 days. The alert informs creditors of possible fraudulent activity within your report and requests that the creditor contact you prior to establishing any new accounts in your name. To place a fraud alert on your credit report, contact any of the three national credit reporting agencies Additional using the contact information listed above. information is available at http://www.annualcreditreport.com.

<u>Credit and Security Freezes</u>: You may have the right to place a credit freeze, also known as a security freeze, on your credit file, so that no new credit can be opened in your name without the use of a PIN number that is issued to you when you initiate the freeze. A credit freeze is designed to prevent potential credit grantors from accessing your credit report without your consent. If you place a credit freeze, potential creditors and other third parties will not be able to get access to your credit report unless you temporarily lift the freeze. Therefore, using a credit freeze may delay your ability to obtain credit. Unlike a fraud alert, you must separately place a credit freeze differ from state to state, please contact the three major credit reporting companies using the contact information above.

Individuals interacting with credit reporting agencies have rights under the Fair Credit Reporting Act. We encourage you to review your rights under the Fair Credit Reporting Act by visiting <u>https://files.consumerfinance.gov/f/201504_cfpb_summary_your-rights-under-fcra.pdf</u>, or by requesting information in writing from the Consumer Response Center, Room 130-A, Federal Trade Commission, 600 Pennsylvania Ave. NW, Washington, DC 20580.



Other Important State Information

You may also file a report with your local police or the police in the community where the identity theft took place. Further, you are entitled to request a copy of the police report filed in this matter.

For Rhode Island residents:

You may obtain information about preventing and avoiding identity theft from Rhode Island's Attorney General Office: Rhode Island Office of the Attorney General, 150 South Main Street, Providence, RI 02903, Phone: (401) 274-4400 http://www.riag.ri.gov.

For Maryland Residents:

You may obtain information about avoiding identity theft at: Office of the State of Maryland Attorney General 200 St. Paul Place Baltimore, MD 21202, 1-888-743-0023 <u>www.marylandattorneygeneral.gov.</u>

For Washington D.C. Residents:

You obtain information about avoiding identity theft at: Office of the Attorney General for the District of Columbia 441 4th Street, NW, Washington, DC 20001, 202-727-3400 <u>https://oag.dc.gov/</u>

For North Carolina Residents:

You may obtain information about avoiding identity theft at: North Carolina Attorney General's Office 9001 Mail Service Center Raleigh, NC 27699-9001, 919-716-6400 <u>www.ncdoj.gov</u>.

For New Mexico Residents:

The Fair Credit Reporting Act provides certain rights in addition to the right to receive a copy of your credit report (including a free copy once every 12 months), including the right to ask for a credit score, dispute incomplete or inaccurate information, limit "prescreened" offers of credit and insurance, and seek damages from violators. If you are the victim of identity theft, you also have the right to file a police report and obtain a copy of it.

For California Residents:

You can visit the California Office of Privacy Protection (www.oag.ca.gov/privacy) for additional information on protection against identity theft.

For Iowa Residents:

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

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 bureaus directly to obtain such additional report(s).