

December 9, 2025



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**VIA E-MAIL**

consumer@ag.iowa.gov

**Re: Prosper Marketplace, Inc. – Notice of a Security Incident**

To Whom It May Concern:

I am writing in regards to the recent security incident (the “Incident”) at Prosper Marketplace, Inc., and its affiliate, Prosper Funding, LLC (collectively, the “Company” or “Prosper”). The Company operates a peer-to-peer online credit marketplace offering consumer financial products and services, including closed and open-end loan products.

On or around September 1, 2025, the Company discovered unauthorized activity in its systems. Prosper swiftly activated its incident response process and took prompt steps to stop the activity and strengthen its security measures. Mandiant, a leading cybersecurity firm, and other outside advisors were promptly engaged to investigate what happened and determine what data was affected. The Company also notified law enforcement. The Company has not observed any unauthorized activity since September 2, 2025.

Following its investigation, the Company determined that the Social Security number / national identification number, date of birth, bank account number, and/or other financial / credit application information of approximately 1,008 Iowa residents were accessed and/or acquired by the unauthorized actor. The Company began notifying Iowa residents via e-mail or U.S. Mail, where available, beginning on December 9, 2025. These notices include a complimentary offer of two years of credit monitoring and identity theft restoration services from Experian. The Company also established a dedicated call center to address questions related to this event. A sample notice is attached as Attachment A.

The incident has not impacted the Company’s customer-facing operations and Prosper has continued to serve its customers. Customer accounts are not affected, and customer-facing operations continue uninterrupted. Additionally, the Company continuously monitors accounts with strong safeguards in place to protect customer funds.

Protecting the privacy of personal information is a top priority for Prosper. The Company is committed to maintaining the privacy of personal information in its possession and has taken



many precautions to safeguard it and continually evaluates and modifies its practices and internal controls to enhance the security and privacy of personal information.

Should you have any questions concerning this notification, please contact me at +1 (202) 349-8089 or [alwarence@orrick.com](mailto:alwarence@orrick.com). Thank you.

Sincerely,  
*/s/ Amanda Lawrence*  
Amanda Lawrence  
Partner | Orrick, Herrington & Sutcliffe LLP

# ATTACHMENT A



Return Mail Processing  
PO Box 999  
Suwanee, GA 30024

1053 1 254533 \*\*\*\*\*AUTO\*\*ALL FOR AADC 995

Sample A. Sample - L01



APT ABC

123 ANY ST

ANYTOWN, US 12345-6789



December 9, 2025

Re: Notice of Data Breach

Dear Sample A. Sample,

Prosper Marketplace, Inc. ("Prosper") recently disclosed a cybersecurity event. Please read this notice carefully, as it provides up-to-date information on what happened and what we are doing, as well as information on how you can obtain complimentary credit monitoring and identity restoration services.

## What happened?

On September 1, 2025, Prosper discovered unauthorized activity on our systems. We acted quickly to stop the activity and enhance our security measures, and we began working with a leading cybersecurity firm to investigate what happened. We also reported the incident to law enforcement and offered our full cooperation. However, we did identify evidence that between June and August 2025, data containing personal information was obtained through queries on company databases that store customer and applicant data.

There was no evidence of unauthorized access to customer accounts and funds, and our customer-facing operations continue uninterrupted. Additionally, we continuously monitor accounts, which have strong safeguards in place to protect your funds.

## What information was involved?

Prosper has been analyzing the impacted data to determine if it contained personal information and to whom that information belonged. This analysis has been time consuming. We completed this process on November 26, 2025. We have determined that your [REDACTED] were obtained.

## What we are doing:

Prosper is committed to safeguarding confidential and sensitive information. Prosper is offering two years of complimentary credit monitoring and identity restoration services through our preferred third-party vendor, Experian. To activate your membership and start monitoring your personal information please follow the steps below:

- Ensure that you enroll by: March 31, 2026 (Your code will not work after this date.)
- Visit the Experian website to enroll: [www.experianidworks.com/1bcredit](http://www.experianidworks.com/1bcredit)
- Provide your activation code:

Please see [Attachment A](#) for details regarding these complimentary credit monitoring and identity restoration services, as well as how to enroll with your unique code. **You must enroll by March 31, 2026, to receive these services.**

In addition to these actions, we have implemented enhanced security and monitoring controls. We remain committed to ongoing information security reviews to strengthen our security and privacy programs and controls.

**What you can do:**

In addition to enrolling in the credit monitoring and identity restoration services being offered to you at no charge, we encourage you to take the following precautions:

- It is always a good idea to remain vigilant against threats of identity theft or fraud and to regularly review and monitor your account statements and credit history for any signs of unauthorized transactions or activity.
- If you ever suspect that you are the victim of identity theft or fraud, you can contact your local police. Additional information about how to protect your identity is contained in [Attachment B](#).

**For more information:**

Prosper has established a dedicated call center to answer questions about the cybersecurity event as well as the Experian services that we are offering to you. If you have any questions, please call the call center at 1-833-918-9464, from 8 a.m. to 8 p.m. CT Monday through Friday, excluding major U.S. holidays.

Sincerely,

The Prosper Team

**Attachment A – ADDITIONAL DETAILS REGARDING YOUR 24-MONTH EXPERIAN  
IDENTITYWORK MEMBERSHIP**

If you have questions about the product, need assistance with Identity Restoration that arose as a result of this incident or would like an alternative to enrolling in Experian IdentityWorks online, please contact Experian's customer care team at 1-833-918-9464 by March 31, 2026. Be prepared to provide engagement number as proof of eligibility for the Identity Restoration services by Experian.

A credit card is not required for enrollment in Experian IdentityWorks. You can contact Experian immediately regarding any fraud issues, and have access to the following features once you enroll in Experian IdentityWorks:

- **Experian credit report at signup:** See what information is associated with your credit file. Daily credit reports are available for online members only.\*
- **Credit Monitoring:** Actively monitors Experian, Equifax, and Transunion files for indicators of fraud.
- **Identity Restoration:** Identity Restoration specialists are immediately available to help you address credit and non-credit related fraud.
- **Experian IdentityWorks ExtendCARE™:** You receive the same high-level of Identity Restoration support even after your Experian IdentityWorks membership has expired.
- **\$1 Million Identity Theft Insurance\*\*:** Provides coverage for certain costs and unauthorized electronic fund transfers.

\* Offline members will be eligible to call for additional reports quarterly after enrolling.

\*\* The Identity Theft Insurance is underwritten and administered by American Bankers Insurance Company of Florida, an Assurant company. Please refer to the actual policies for terms, conditions, and exclusions of coverage. Coverage may not be available in all jurisdictions.

**Attachment B–Information for U.S. customers**

**MORE INFORMATION ABOUT IDENTITY PROTECTION**

**INFORMATION ON OBTAINING A FREE CREDIT REPORT**

U.S. customers are entitled under U.S. law to one free credit report annually from each of the three major credit bureaus. To order your free credit reports, visit [www.annualcreditreport.com](http://www.annualcreditreport.com) or call toll-free +1 (877) 322-8228.

**INFORMATION ON IMPLEMENTING A FRAUD ALERT OR A SECURITY FREEZE**

You can contact the three major credit bureaus at the addresses below to place a fraud alert on your credit report. A fraud alert indicates to anyone requesting your credit file that you suspect you are a possible victim of fraud. A fraud alert does not affect your ability to get a loan or credit. Instead, it alerts a business that your personal information might have been compromised and requires that business to verify your identity before issuing you credit. Although this may cause some short delay if you are the one applying for the credit, it might protect against someone else obtaining credit in your name.

A security freeze prohibits a credit reporting agency from releasing any information from a consumer's credit report without written authorization. However, please be aware that placing a security freeze on your credit report may delay, interfere with, or prevent the timely approval of any requests you make for new loans, credit, mortgages, employment, housing, or other services. A credit reporting agency may not charge you to place, temporarily lift, or permanently remove a security freeze.

To place a fraud alert or a security freeze on your credit report, you must contact the three credit bureaus below:

Equifax	Experian	TransUnion
Consumer Fraud Division	Credit Fraud Center	TransUnion LLC
P.O. Box 740256	P.O. Box 9554	P.O. Box 2000
Atlanta, GA 30374	Allen, TX 75013	Chester, PA 19022-2000
(888) 766-0008	(888) 397-3742	(800) 680-7289
<a href="http://www.equifax.com">www.equifax.com</a>	<a href="http://www.experian.com">www.experian.com</a>	<a href="http://www.transunion.com">www.transunion.com</a>

To request a security freeze, you will need to provide the following information:

1. Your full name (including middle initial as well as Jr., Sr., II, III, etc.);
2. Social security number;
3. Date of birth;
4. If you have moved in the past five (5) years, the addresses where you have lived over those prior five (5) years;
5. Proof of current address such as a current utility bill or a telephone bill; and
6. A legible photocopy of a government-issued identification card (state driver's license or ID card, military identification, etc.).

You may also contact the U.S. Federal Trade Commission (FTC) for further information on fraud alerts, security freezes, and how to protect yourself from identity theft. The FTC can be contacted at 400 7th St. SW, Washington, DC 20024; telephone +1 (877) 382-4357 or [www.consumer.gov/idtheft](http://www.consumer.gov/idtheft).

## ADDITIONAL RESOURCES

Your state Attorney General may also have advice on preventing identity theft, and you should report instances of known or suspected identity theft to law enforcement, your state Attorney General, or the FTC.

**California residents:** Visit the California Office of Privacy Protection (<https://oag.ca.gov/privacy>) for additional information on protection against identity theft.

**District of Columbia residents:** The District of Columbia Attorney General may be contacted at: 400 6th Street, NW, Washington, DC 20001; +1 (202) 727-3400, [oag@dc.gov](mailto:oag@dc.gov) and [www.oag.dc.gov](http://www.oag.dc.gov).

**Iowa residents:** The Attorney General can be contacted at Office of Attorney General of Iowa, Hoover State Office Building, 1305 E. Walnut Street, Des Moines, Iowa 50319; +1 (515) 281-5164, [www.iowaattorneygeneral.gov](http://www.iowaattorneygeneral.gov).

**Kentucky residents:** The Attorney General can be contacted at Office of the Attorney General of Kentucky, 700 Capitol Avenue, Suite 118 Frankfort, Kentucky 40601, [www.ag.ky.gov](http://www.ag.ky.gov), Telephone: +1 (502) 696-5300.

**Maryland residents:** The Attorney General can be contacted at Office of Attorney General, 200 St. Paul Place, Baltimore, Maryland 21202; +1 (888) 743-0023 or [www.marylandattorneygeneral.gov](http://www.marylandattorneygeneral.gov).

**Massachusetts residents:** Under Massachusetts law, you have the right to obtain any police report filed in connection with the cybersecurity event. If you are the victim of identity theft, you also have the right to file a police report and obtain a copy of it.

**North Carolina residents:** The Attorney General can be contacted at 9001 Mail Service Center, Raleigh, NC 27699-9001; +1 (919) 716-6400 or [www.ncdoj.gov](http://www.ncdoj.gov).

**New Mexico residents:** You have rights under the federal Fair Credit Reporting Act (FCRA), which governs the collection and use of information pertaining to you by consumer reporting agencies. For more information about your rights under the FCRA, please visit [www.consumer.ftc.gov/articles/pdf-0096-fair-credit-reporting-act.pdf](http://www.consumer.ftc.gov/articles/pdf-0096-fair-credit-reporting-act.pdf) or [www.ftc.gov](http://www.ftc.gov).

**New York residents:** The Attorney General can be contacted at the Office of the Attorney General, The Capitol, Albany, NY 12224-0341; +1 (800)-771-7755 or [www.ag.ny.gov](http://www.ag.ny.gov).

**Oregon residents:** The Attorney General can be contacted at Oregon Department of Justice, 1162 Court Street NE, Salem, OR 97301-4096; +1 (877) 877-9392 (toll-free in Oregon), +1 (503) 378-4400, or [www.doj.state.or.us](http://www.doj.state.or.us).

**Rhode Island residents:** The Attorney General can be contacted at 150 South Main Street, Providence, Rhode Island 02903; +1 (401) 274-4400 or [www.riag.ri.gov](http://www.riag.ri.gov). You may also file a police report by contacting local or state law enforcement agencies.

**For Arizona, California, District of Columbia, Iowa, Montana, North Carolina, Washington, and West Virginia 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).