



October 3, 2017

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Attorney General Tom Miller
Office of the Attorney General
Consumer Protection Division
1305 E. Walnut Street
Des Moines, Iowa 50319
consumer@iowa.gov

Re: Data Security Incident

Dear Attorney General Miller:

We represent FlexShopper, LLC, with respect to an incident involving the potential exposure of certain personal information described in detail below.

1. Nature of the possible security breach or unauthorized use or access

On August 30, 2017, FlexShopper discovered that a database containing customer information may have been inadvertently accessible on the internet for a few days. After learning of this, FlexShopper immediately took action and commenced a forensic investigation to determine whether its systems were at risk and what information may have been involved. The investigation determined that customer names, email addresses, passwords, addresses, phone numbers, dates of birth, Social Security numbers, employment information, self-reported income, bank account information and/or payment card information were potentially exposed. FlexShopper has not identified any evidence of misuse of customer information.

2. Number of Iowa residents potentially affected

Approximately 1,364 Iowa residents were affected in this potential incident. FlexShopper is sending the potentially impacted individuals emails notifying them of this incident between October 3, 2017 and October 6, 2017. A copy of the notification sent to the potentially impacted individuals is included with this letter, which informs these Iowa residents about the 12 months of credit monitoring and identity theft protection services that are being offered to them.

1133 Westchester Avenue • White Plains, NY 10604 • p 914.323.7000 • f 914.323.7001

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3. Steps FlexShopper has taken or plans to take relating to the potential incident

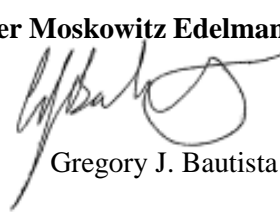
FlexShopper has taken steps to secure client information, including reviewing and revising its information security policies and procedures, taking its databases offline and is conducting a comprehensive security assessment.

4. Other notification and contact information.

If you have any additional questions, please contact me at Gregory.Bautista@wilsonelser.com or (914) 872-7839.

Very truly yours,

Wilson Elser Moskowitz Edelman & Dicker LLP



Gregory J. Bautista

Subject: Notice of Data Security Incident

Date:

From: FlexShopper (sent by FlexShopper <notices@flexshoppercompliance.com>)

To:



MyIDCare Membership Code XXXXXXXXXXXXX

We are sending this letter to FlexShopper customers to inform you of an incident that may have put the security of your information, including your name and Social Security number at risk. We take the security of your information very seriously and apologize for any concern this may cause. This letter contains information about steps you can take to protect your information and resources we are making available to you.

On August 30, 2017, we discovered that a database containing customer information may have been inadvertently accessible on the Internet. We immediately took action and commenced an investigation with the help of computer experts to determine whether our systems were at risk and what information may have been involved. The incident has been resolved and our systems are secure.

The investigation determined that the potentially exposed information included customers' names, email addresses, passwords, addresses, phone numbers, dates of birth, Social Security numbers, employment information, self-reported income, and in certain instances, bank account information and/or payment card information.

Although at this time we have no evidence of misuse of your information, because we value you and the safety of your information, we have arranged with ID Experts®, an incident response and recovery services expert, to provide you with MyIDCare™ services at no charge to you. MyIDCare services include:

- 12 months of Credit and CyberScan monitoring;
- \$1,000,000 insurance reimbursement policy;
- Exclusive educational materials; and
- Fully managed Identity Theft Recovery Services (with this protection, MyIDCare will help you resolve issues if your identity is compromised).

We encourage you to contact ID Experts with any questions and to enroll in free MyIDCare services by calling 1-855-899-2093 going to www.idexpertscorp.com/protect. Please note the deadline to enroll is December 29, 2017. Out of an abundance of caution, we also recommend that you monitor your financial account statements for unusual activity.

We want to assure you that we have taken steps to secure our systems and protect your information, including reviewing and revising our information security policies and procedures, taking our databases offline, and conducting a comprehensive security assessment.

We sincerely regret any inconvenience that this incident may cause you and remain dedicated to protecting your personal information. *Please do not reply to this email.* Should you have any questions or concerns, please contact 1-855-899-2093 or visit www.idexpertscorp.com/protect.

Additional Important Information

For residents of Hawaii, Michigan, Missouri, Virginia, Vermont, and North Carolina:

It is recommended by state law that you remain vigilant for incidents of fraud and identity theft by reviewing credit card account statements and monitoring your credit report for unauthorized activity.

For residents of Illinois, Iowa, Maryland, Missouri, North Carolina, Oregon, and West Virginia:

It is required by state laws to inform you that you may obtain a copy of your credit report, free of charge, whether or not you suspect any unauthorized activity on your account. You may obtain a free copy of your credit report from each of the nationwide three credit reporting agencies. To order your 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 at <https://www.consumer.ftc.gov/articles/0155-free-credit-reports>) to: Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA, 30348-5281.

For residents of Iowa:

State law advises you to report any suspected identity theft to law enforcement or to the Attorney General.

For residents of Oregon:

State laws advise you to report any suspected identity theft to law enforcement, including the Attorney General, and the Federal Trade Commission.

For residents of Maryland, Rhode Island, Illinois, and North Carolina:

You can obtain information from the Maryland and North Carolina Offices of the Attorneys General and the Federal Trade Commission about fraud alerts, security freezes, and steps you can take toward preventing identity theft.

Maryland Office of the Attorney General Consumer Protection Division 200 St. Paul Place Baltimore, MD 21202 1-888-743-0023 www.oag.state.md.us	Rhode Island Office of the Attorney General Consumer Protection 150 South Main Street Providence RI 02903 1-401-274-4400 www.riag.ri.gov	North Carolina Office of the Attorney General Consumer Protection Division 9001 Mail Service Center Raleigh, NC 27699-9001 1-877-566-7226 www.ncdoj.com	Federal Trade Commission Consumer Response Center 600 Pennsylvania Ave, NW Washington, DC 20580 1-877-IDTHEFT (438-4338) www.ftc.gov/idtheft
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For residents of Massachusetts:

It is required by state law that you are informed of your right to obtain a police report if you are a victim of identity theft

For residents of all states:

Fraud Alerts: You can place fraud alerts with the three credit bureaus at one of the three major credit bureaus by phone and also via Experian's or Equifax's website. A fraud alert tells creditors to follow certain procedures, including contacting you, before they open any new accounts or change your existing accounts. For that reason, placing a fraud alert can protect you, but also may delay you when you seek to obtain credit. The contact information for all three credit bureaus is below:

Monitoring: You should always remain vigilant and monitor your accounts for suspicious or unusual activity.

Security Freeze: You also have the right to place a security freeze on your credit report. 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 need to make a request to each consumer reporting agency. You may make that request by certified mail, overnight mail, or regular stamped mail, or by following the instructions found at the websites listed below. 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 five 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, display your name and current mailing address, and the date of issue. The consumer reporting agency may charge a small fee to place, lift, or remove a freeze, but is free if you are a victim of identity theft or the spouse of a victim of identity theft, and you have submitted a valid police report relating to the identity theft incident to the consumer reporting agency. You may obtain a security freeze by contacting any one or more of the following national consumer reporting agencies:

Equifax Security Freeze
P.O. Box 105788
Atlanta, GA 30348
www.freeze.equifax.com
800-525-6285

Experian Security Freeze
P.O. Box 9554
Allen, TX 75013
www.experian.com/freeze
888-397-3742

TransUnion (FVAD)
P.O. Box 2000
Chester, PA 19022
Raleigh, NC 27699-9001
www.transunion.com
888-680-7289

More information can also be obtained by contacting the Federal Trade Commission listed above.