

14938

Logo/Client Name
April 12, 2019

[Name]
[Address]
[City State Zip]

[Date]

RE: Notice of Inadvertent Data Disclosure to Members

Dear [First Name, Last Name]:

Flywheel Exchange LLC ("Flywheel") recently discovered an inadvertent data disclosure to its members that could affect the security of your personal information. We write to provide you with information about the incident, the actions Flywheel is taking in response, and additional steps that you might take to protect against the possibility of identity theft or fraud, should you feel it is appropriate.

What Happened? On April 5, 2019, in connection with filing state tax returns for each Invenshure LLC company doing business in California (Invenshure, Imbio, GeneMatters and Flywheel), individual member K-1 statements were created by our accounting firm that included the names and social security numbers of *all* members (shareholders) for that particular company. Each file containing this information was password protected so that only individual members of Flywheel could access the file. While the filing of this information is required by law and can be transmitted in the form you received, we subsequently came to understand that this information could have been transmitted to the state of California without disclosing it in each member's K-1 statement. Because there was no crime associated with this incident, we do not believe that notifying law enforcement is warranted or recommended.

What Information was Involved? The information contained in the password protected individual K-1 statements in the subject emails included the names of the members of Flywheel and each member's social security number.

What We Are Doing. While this inadvertent disclosure was limited to Flywheel members, and involves only password protected information, we take this incident very seriously. After learning of this incident, we immediately launched an internal investigation and retained a leading cybersecurity law firm to assist us in our investigation. As part of our ongoing commitment to the security of personal information in our care, we are working with the accounting firm responsible for generating the K-1 disclosures to understand how and why this occurred and to prevent future disclosures of this nature. ***In order to limit additional disclosure, we will be sending out amended K-1 statements and request that you delete the version we sent you last week and not forward that version to your tax preparer (and retrieve the earlier version if you already have shared it).*** Note that the financial information contained on your K-1 will not change, so any tax prep/filing work in progress should not be affected.

To reiterate, this inadvertent disclosure was not the result of any nefarious internal or external activity and the disclosure is limited to the members of Flywheel. Further, we are unaware of any actual or attempted misuse of your personal information. However, out of an abundance of caution we have arranged to have Experian protect your identity for 24 months at no cost to you. Please review the instructions contained in the attached *Steps You Can Take to Protect Against Identity Theft and Fraud* to enroll in this service. The cost of this service will be paid for by Flywheel. It will be up to you to enroll in this service, as we are not able to act on your behalf to enroll you.

Confidentiality Reminder. Since the disclosure of confidential information was to our own group of investors, please remember that as a Flywheel member you have a strict duty of confidentiality under the company's LLC Agreement to keep confidential any information you learn regarding the company, including the names and social security numbers that were included within your K-1.

What You Can Do. You can review the enclosed *Steps You Can Take to Protect Against Identity Theft and Fraud*, which contains information on how you can better protect yourself against the possibility of identity theft and fraud should you feel it is appropriate to do so. You can also enroll to receive the credit monitoring and identity restoration services we are offering you

For More Information. We sincerely regret any inconvenience or concern this may have caused. We understand you may have questions that are not answered in this letter. To insure that your questions are answered in a timely manner, you can contact any of us at the below contact information.

Sincerely,

Danny, Troy & Mark

Danny Cunagin
612-310-3313
dannycunagin@invenshure.com

Troy Kopischke
612-396-8821
troykopischke@invenshure.com

Mark Sylvester
612-597-2390
marksylvester@invenshure.com

Encl.

Steps You Can Take to Protect Against Identity Theft and Fraud

If you believe there was fraudulent use of your information and would like to discuss how you may be able to resolve those issues, please reach out to an Experian agent. If, after discussing your situation with an agent, it is determined that identity restoration support is needed then an Experian Identity Restoration agent is available to work with you to investigate and resolve each incident of fraud that occurred (including, as appropriate, helping you with contacting credit grantors to dispute charges and close accounts; assisting you in placing a freeze on your credit file with the three major credit bureaus; and assisting you with contacting government agencies to help restore your identity to its proper condition).

Please note that this offer is available to you for 2 years from the date of this letter and does not require any action on your part at this time. The Terms and Conditions for this offer are located at www.ExperianIDWorks.com/restoration. You will also find self-help tips and information about identity protection at this site.

While Identity Restoration assistance is immediately available to you, we also encourage you to remain to activate the fraud detection tools available through Experian IdentityWorksSM as a complimentary 2-year membership. This product provides you with superior identity detection and resolution of identity theft. To start monitoring your personal information please follow the steps below:

- Ensure that you enroll by: July 31, 2019 (Your code will not work after this date)
- Visit the Experian IdentityWorks website to enroll: <https://www.experianidworks.com/plus>
- Provide your activation code: [code]

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 877-890-9332 by July 31, 2019. Be prepared to provide engagement number [code] as proof of eligibility for the identity restoration services by Experian.

At no charge, you can also have these credit bureaus place a "fraud alert" on your file that alerts creditors to take additional steps to verify your identity prior to granting credit in your name. Note, however, that because it tells creditors to follow certain procedures to protect you, it may also delay your ability to obtain credit while the agency verifies your identity. As soon as one credit bureau confirms your fraud alert, the others are notified to place fraud alerts on your file. Should you wish to place a fraud alert, or should you have any questions regarding your credit report, please contact any one of the agencies listed below.

Equifax
P.O. Box 105069
Atlanta, GA 30348
800-525-6285
www.equifax.com

Experian
P.O. Box 2002
Allen, TX 75013
888-397-3742
www.experian.com

TransUnion
P.O. Box 2000
Chester, PA 19022-2000
800-680-7289
www.transunion.com

You may also place a security freeze on your credit reports. A security freeze prohibits a credit bureau from releasing any information from a consumer's credit report without the consumer's written authorization. However, please be advised 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. If you have been a victim of identity theft, and you provide the credit bureau with a valid police report, it cannot charge you to place, list or remove a security freeze. You will need to place a security freeze separately with each of the three major credit bureaus listed above if you wish to place a freeze on all of your credit files. To find out more on how to place a security freeze, you can use the following contact information:

Equifax Security Freeze
P.O. Box 105788
Atlanta, GA 30348
1-800-685-1111
www.freeze.equifax.com

Experian Security Freeze
P.O. Box 9554
Allen, TX 75013
1-888-397-3742
www.experian.com/freeze/center.html

TransUnion
P.O. Box 2000
Chester, PA 19022-2000
1-888-909-8872
www.transunion.com/credit-freeze

You are reminded to remain vigilant for incidents of fraud and identity theft by reviewing account statements and monitoring free credit reports. You can further educate yourself regarding identity theft, fraud alerts, and the steps you can take to protect yourself, by contacting the Federal Trade Commission or your state Attorney General. The Federal Trade Commission can be reached at: 600 Pennsylvania Avenue NW, Washington, DC 20580; www.identitytheft.gov; 1-877-ID-THEFT (1-877-438-4338); and TTY: 1-866-653-4261. Contact the Federal Trade Commission, your state Attorney General, or local law enforcement to report suspected identity theft. Further, pursuant to the Fair Credit Reporting Act, the consumer reporting agencies must correct or delete inaccurate, incomplete, or unverifiable information; consumer reporting agencies may not report outdated negative information; access to your file is limited; you must give your consent for credit reports to be provided to employers; you may limit "prescreened" offers of credit and insurance you get based on information in your credit report; and you may seek damages from violator. You may have additional rights under the Fair Credit Reporting Act not summarized here. Identity theft victims and active duty military personnel have specific additional rights pursuant to the Fair Credit Reporting Act. We encourage you to review your rights pursuant to the Fair Credit Reporting Act by visiting www.consumerfinance.gov/f/201504_cfpb_summary_your-rights-under-fcra.pdf, or by writing Consumer Response Center, Room 130-A, Federal Trade Commission, 600 Pennsylvania Ave. N.W., Washington, D.C. 20580. You have the right to file a police report if they ever experience identity theft or fraud, and instances of known or suspected identity theft should be reported to law enforcement. Please note that in order to file a police report or incident report with law enforcement for identity theft, you will likely need to provide some kind of proof that they have been a victim. The Federal Trade Commission also encourages those who discover that their information has been misused to file a complaint with them. This notice has been delayed due to a request from law enforcement.