



**Andrew S. Pak**  
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September 10, 2020

Wayne Stenehjem, Attorney General  
Attorney General's Office  
Consumer Protection and Antitrust  
Gateway Professional Center  
1050 E Interstate Avenue, Suite 200  
Bismarck, ND 58503-5574

Dear Mr. Stenehjem:

I am writing to inform you about a recent incident involving the personal information of certain North Dakota residents.

This matter has come to our attention in connection with an internal investigation relating to one or more bad actors who circumvented the onboarding processes for one of our recently acquired subsidiaries, Assurance IQ, LLC ("Assurance") in an attempt to outsource certain call center work to international locations to their advantage. It appears that the bad actors used stolen identities in applying for certain independent contractor opportunities at Assurance to obtain credentials which were then used by the call center associates to perform work as required. The bad actors may have then retained all or most of the generated compensation received from Assurance, instead of paying those call center representatives for their work. While we have no indication that the call center operators had any nefarious purpose, we recognize that these were not the specific individuals that Assurance believed they hired to do the call center work. Accordingly, and out of an abundance of caution, we are notifying you of the information these call operators had access to in the course of handling calls for Assurance.

### **Background**

Assurance maintains a digital platform that connects potential consumers with various insurance products offered by various providers. Individuals can use Assurance's web platform to enter some basic information in order to obtain preliminary quotes for insurance products being sought by the individual. Once that information is entered, an Assurance "Guide" will reach out to the potential consumer and screen the call to confirm that the consumer is interesting in shopping for an insurance product, before transferring a consumer to a sales agent. The Guides are independent contractors for Assurance IQ and work remotely from a location of their choice. Guides are required to have a Social Security Number, a U.S. mailing address, a working computer connected to a high-speed internet line, a wireless headset with a microphone, and a bank account to link to the Zelle payment system used by Assurance to pay compensation. Additionally, Guide candidates are required to complete a variety of online forms, assessments, and training videos before starting work with Assurance. Guides do not sell or solicit insurance products, and are compensated for transferring calls to sales agents, regardless of whether a transaction ultimately takes place.

## **Investigation**

In or about August 2019, Assurance first became aware of an individual located in the Philippines who was using Guide credentials that had been created using a stolen identity. Assurance kicked off an investigation into the matter and began deactivating Guide credentials that it identified as suspicious. In February 2020, Assurance began to be notified by several individuals who received IRS 1099 tax forms that indicated they had been compensated by Assurance, but claimed they had never worked with Assurance. Upon review of these claims, Assurance confirmed that the names of these individuals, along with their personal identifiers, were listed in Company databases as having worked as “Guides” at Assurance, despite the individuals claiming otherwise.

Assurance further investigated these claims and identified approximately 128 Guide accounts that appear to have been created with information belonging to other individuals, including the individuals that claimed to have received the 1099 forms in error.

Assurance’s investigation revealed that one or more fraudsters created Guide accounts with Assurance, and may have hired call center associates to use those accounts and do the required work in order for the fraudsters to collect and optimize compensation. Indeed, certain call center associates were cooperative with internal Assurance personnel in providing information relating to at least one fraudster’s identity. The investigation did not reveal where the fraudster obtained the identifying information used to create the Guide accounts, but did confirm that this information was not obtained from Assurance. The information obtained through Assurance and Prudential’s investigation into this matter, including the attribution information obtained through conversations with the call center associates whom the fraudster hired, has been provided to law enforcement, specifically the Newark office of the Federal Bureau of Investigation, which is currently investigating the bad actor’s acquisition and use of U.S. citizens’ identities to illicitly outsource work internationally.

## **Data Elements Exposed**

Assurance identified that the Guides in question contacted 892 residents of North Dakota. As noted above, however, Guides screen calls and do not handle sales. Accordingly, Guides only have access to certain limited information a potential consumer inputs into various webforms to obtain an insurance quote. Specifically, that includes: Name; Date of Birth; Gender; Height; Weight; City; State; ZIP Code, as well as – depending on the line of insurance being sought – certain range-restricted questions such as:

- Employment status;
- Self-assessment of their credit score (i.e., poor, below average, good, excellent);
- Estimated mortgage balances;
- Highest level of education;
- Whether enrolled in Medicare;
- Whether have had heart attack, cancer or stroke in the past five years; and Coverage amounts.

While we believe that the purpose of this fraud was to obtain compensation from Assurance, we are nevertheless reporting this as a privacy incident out of an abundance of caution based on the limited data elements accessed by the identified Guide accounts.

## **Remediation**

Assurance has, as a result of this incident, instituted additional identity verification requirements for Guide applicants, including requiring those applicants to upload a form of SSN and driver’s license for

review. Assurance is also finalizing the planned adoption of additional controls intended to confirm the identity of applicants. By the end of September, Assurance plans to have launched additional technological controls that will compare a “selfie” provided by a Guide against their driver’s license photo, as well as utilize a third-party service to implement knowledge-based questions, as part of its identity verification process for Guide applicants.

Notwithstanding the fact that there is no reason to believe that the Guides had a nefarious purpose, in an abundance of caution we have secured the services of Kroll, a fraud resolution and risk response firm, to provide identity monitoring for two (2) years for the affected residents of North Dakota. The identity monitoring services include Credit Monitoring, a Current Credit Report, Web Watcher, Public Persona, Quick Cash Scan, \$1 Million Identity Fraud Loss Reimbursement, Fraud Consultation, and Identity Theft Restoration. A copy of the notification letter we provided to the potentially impacted North Dakota residents is attached.

If you have any questions, please feel free to call me at (347) 612-8825 or email me at [Andrew.Pak@prudential.com](mailto:Andrew.Pak@prudential.com).

Very truly yours,

A handwritten signature in black ink, appearing to read 'Andrew S. Pak', with a long horizontal flourish extending to the right.

Andrew S. Pak

Street Address  
Town, Zip Code

Dear

I am writing to inform you that Assurance IQ, LLC has become aware that limited personal information you provided to us in obtaining an insurance quote may have been accessed by an individual who was performing certain call screening services for Assurance under false pretenses. To the extent you may have been contacted by Assurance about an insurance quote, this individual may have confirmed and/or inquired about certain basic personal information of yours — such as your name, date of birth, city and/or state of residence, gender and employment status – before transferring you to a licensed agent. However, please note that sensitive information such as your address, social security information, or financial account information is not handled by our call screeners, and therefore would not have been accessed as a result of this incident. We sincerely regret this occurrence and wanted to make you aware of this situation.

We have no indication that your information has been used improperly or that you are at risk of identity theft. Assurance has investigated this incident and has put in place additional controls to confirm the identity of independent contractors who we contract with. However, because we take our responsibility to safeguard personal information seriously, we wanted to help relieve concerns that you may have regarding this situation. As such, we have secured the services of Kroll to provide identity monitoring services to you for two years. Kroll is a global leader in risk mitigation and response, and their team has extensive experience helping people who have sustained an unintentional exposure of confidential information. The enclosed sheet provides information and enrollment instruction for the services available to you. Should you choose to enroll, please use the following verification ID and activation **CODE** which will be valid for your use through **DATE, 2020**.

If you are concerned, other steps you can take to further protect yourself against identity theft or other unauthorized use of personal information include:

- Remain vigilant and regularly review your credit report for any unauthorized activity. Promptly report incidents of suspected identity theft or fraud to your local law enforcement agency, the Federal Trade Commission, your financial institution and to the consumer reporting agencies listed below to have it removed from your credit file.
- Contact the fraud departments of the major credit reporting agencies to discuss your options. You have the right to place a free 90-day fraud alert on your credit file. A fraud alert lets creditors know to contact you before opening new accounts (but it may also delay your ability to obtain credit). You can also place a free credit freeze on your credit file which blocks potential creditors from being able to view or “pull” up your credit file unless you decide to unfreeze your file beforehand. A security freeze may also delay your ability to obtain credit. To place a fraud alert or security freeze on your credit report contact the credit reporting agencies below.

Experian  
(888)397-3742  
P.O. Box 9532  
Allen, TX 75013  
[www.experian.com](http://www.experian.com)

Equifax  
(877)478-7625  
P.O. Box 740241  
Atlanta, GA 30374-0241  
[www.equifax.com](http://www.equifax.com)

TransUnion  
(800)680-7289  
P.O. Box 6790  
Fullerton, CA 92834-6790  
[www.transunion.com](http://www.transunion.com)

Innovis  
(800) 540-2505  
P.O. Box 1640  
Pittsburgh, PA 15230-1640  
[www.innovis.com](http://www.innovis.com)

- You can obtain a free copy of your credit report from Experian, Equifax and TransUnion by calling 1-877-322-8228 or online at: [www.annualcreditreport.com](http://www.annualcreditreport.com). Under federal law, you are entitled to one free copy of your credit report every 12 months from these credit reporting agencies. You may want to obtain copies of your credit report to ensure the accuracy of the report information.
- Learn more about protecting yourself from identity theft and reporting incidents of identity theft, by visiting the Federal Trade Commission’s websites at [www.consumer.gov/idtheft](http://www.consumer.gov/idtheft), [www.ftc.gov/credit](http://www.ftc.gov/credit), or by contacting the FTC at:

Federal Trade Commission  
Consumer Response Center  
600 Pennsylvania Avenue, NW  
Washington, DC 20580  
[1-877-438-4338](tel:1-877-438-4338)

We regret any inconvenience or concern this situation may cause you and remain committed to protecting the privacy of your personal information. If you have any questions, please do not hesitate to contact us by calling [KROLL CALL CENTER NUMBER] Monday to Friday between the hours of 9:00 am and 6:30 pm, Eastern Standard Time.

Sincerely,

**Gulliver Swenson**  
Chief Administrative Officer

We have secured the services of Kroll to provide identity monitoring at no cost to you for two years. Kroll is a global leader in risk mitigation and response, and their team has extensive experience helping people who have sustained an unintentional exposure of confidential data. Your identity monitoring services<sup>1</sup> include Minor Monitoring, Fraud Consultation, and Identity Theft Restoration.

### **How to Activate Your Identity Monitoring Services**

1. You must activate your identity monitoring services by **DATE, 2020**. Your Activation Code will not work after this date.
2. Visit <https://enroll.idheadquarters.com/redeem> to activate your identity monitoring services.
3. Provide Your Activation Code: **CODE** and Your Verification ID: **ID**
4. To sign in to your account after you have activated your identity monitoring services, please visit <https://login.idheadquarters.com/>

If you have questions, please call **1-877-514-0832**, Monday through Friday from 9:00 a.m. to 6:30 p.m. Eastern Time.

### **Take Advantage of Your Identity Monitoring Services**

You've been provided with access to the following services<sup>1</sup> from Kroll:

#### **Triple Bureau Credit Monitoring and Single Bureau Credit Report**

Your current credit report is available for you to review. You will also receive alerts when there are changes to your credit data at any of the three national credit bureaus—for instance, when a new line of credit is applied for in your name. If you do not recognize the activity, you'll have the option to call a Kroll fraud specialist, who can help you determine if it's an indicator of identity theft.

#### **Web Watcher**

Web Watcher monitors internet sites where criminals may buy, sell, and trade personal identity information. An alert will be generated if evidence of your personal identity information is found.

#### **Public Persona**

Public Persona monitors and notifies when names, aliases, and addresses become associated with your Social Security number. If information is found, you'll receive an alert.

#### **Quick Cash Scan**

Quick Cash Scan monitors short-term and cash-advance loan sources. You'll receive an alert when a loan is reported, and you can call a Kroll fraud specialist for more information.

#### **\$1 Million Identity Fraud Loss Reimbursement**

Reimburses you for out-of-pocket expenses totaling up to \$1 million in covered legal costs and expenses for any one stolen identity event. All coverage is subject to the conditions and exclusions in the policy.

#### **Fraud Consultation**

You have unlimited access to consultation with a Kroll fraud specialist. Support includes showing you the most effective ways to protect your identity, explaining your rights and protections under the law, assistance with fraud alerts, and interpreting how personal information is accessed and used, including investigating suspicious activity that could be tied to an identity theft event.

#### **Identity Theft Restoration**

If you become a victim of identity theft, an experienced Kroll licensed investigator will work on your behalf to resolve related issues. You will have access to a dedicated investigator who understands your issues and can do most of the work for you. Your investigator can dig deep to uncover the scope of the identity theft, and then work to resolve it.

<sup>1</sup> Kroll's activation website is only compatible with the current version or one version earlier of Chrome, Firefox, Safari and Edge. To receive credit services, you must be over the age of 18 and have established credit in the U.S., have a Social Security number in your name, and have a U.S. residential address associated with your credit file.