

EXHIBIT C

Los Angeles Times



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From the Los Angeles Times

Stolen hardware held DWP employees' personal information

Officials say there's no evidence of identity theft so far, but many workers and retirees are angry that the utility outsourced sensitive data to a contractor.

By David Zahniser

Los Angeles Times Staff Writer

February 16, 2008

Computer equipment containing the private financial data of every employee of the Los Angeles Department of Water and Power was stolen earlier this week, prompting the utility to pay for a credit monitoring service for each of its 8,275 workers.

DWP General Manager H. David Nahai sent employees an e-mail and an interoffice memo Wednesday informing them that computer equipment containing each worker's name, date of birth, Social Security number, employee identification number and deferred compensation balance was stolen from a private DWP contractor.

The letter, which contained an apology from Nahai, advised DWP employees to watch their credit reports and look for accounts that they did not open themselves. Still, DWP spokesman Joe Ramallo said the utility had no evidence that the missing information had been misused.

"We're required by law to notify our employees that this theft occurred," he said. "But we don't have any knowledge at this point that the data was the target, and law enforcement said they don't believe that it is."

Mayor Antonio Villaraigosa's appointees on the five-member DWP commission on Tuesday plan to discuss the burglary, which occurred Monday in the Fullerton office of the data-processing company Systematic Automation Inc.

A company representative did not return a call. But a spokesman for the International Brotherhood of Electrical Workers Local 18, the union that represents DWP employees, said Friday that his workers were "shocked and upset" by the loss of the data.

"They believe this is a direct result of the mania for outsourcing that the DWP has had," said Bob Cherry, a communications consultant for the union. "The DWP should have been paying more attention to the potential impact of sensitive data like this getting sent to outside vendors."

The issue of employee privacy at the DWP has been a sensitive one since September, when the Los Angeles Daily News published on its website the names and salaries of each utility worker.

Vince Foley, who serves on the board of the DWP Retired Employees Assn., said he has received anxious calls from retirees. The stolen computer equipment also contained financial data on employees who retired between July 1, 2006, and June 30, 2007.

"It's the first time I've ever heard of anything like this because, typically, people outside of the DWP don't have that information available," Foley said. "DWP's computers are, of course, encrypted and protected. But this is a situation where they had . . . a consultant who's given all this data so they can prepare the [benefits] statements."

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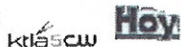


EXHIBIT C PAGE 11

Los Angeles Times | Travel

You are here: LAT Home > Travel > Articles > On holiday? Be wary -- identity thie

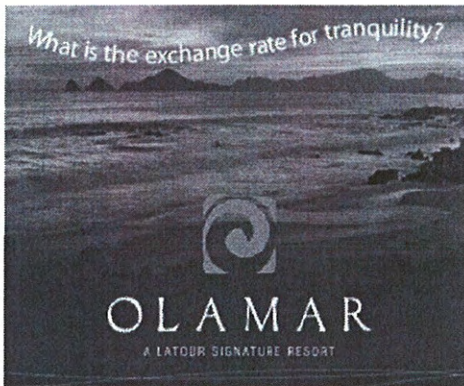
TRAVEL INSIDER

On holiday? Be wary -- identity thieves could be lurking

Two recent incidents involving sensitive customer data drive home the need for caution while traveling.

By James Gilden, Special to The Times

June 18, 2008



EXPERIENCED travelers know it's critical to keep important documents, cash and credit cards close at hand to keep them out of unscrupulous hands. Nothing can spoil a vacation faster than the theft of your passport or money.

Nothing, that is, except the theft of your personal information.

More than a third of the 686,000 complaints that the Federal Trade Commission received in 2005 were about identity theft, making it the No. 1 reported problem. Although many of us have heeded the warnings to guard our Social Security numbers and shred documents that contain sensitive information, two recent incidents have given travelers pause.

Last month, Hotels.com notified 243,000 customers that their names, addresses and credit card information had been compromised when a laptop with that data, belonging to an employee of the accounting firm Ernst & Young, was stolen from a parked car in Texas. (Ernst & Young was performing a routine audit of online travel agency Expedia, the parent company of Hotels.com.) Most of the customer information was from transactions in 2004, although a few were from 2002 and 2003.

Although the theft occurred in February, Ernst & Young did not notify Hotels.com until May 3. Notices to affected customers were mailed May 26.

In explaining the delay, Ernst & Young spokesman Charles Perkins said, "There was a great deal of data on the computer, and it took an extensive analysis to identify it." No other sensitive customer data were lost, Perkins said.

In a letter sent to affected customers, Ernst & Young said it believed that the theft was random and that the specific information was not targeted. Law enforcement personnel were notified, and no illegal activity has been associated with the theft, Ernst & Young said.

The computer was password-protected, but the information was not encrypted — that is, it was accessible to anybody who could get past the password. The data on all 30,000 Ernst & Young computers have since been encrypted, Perkins said.

Why the data were on a laptop outside the office is another question.

"We have a large mobile workforce that often works with their laptops in our client offices and other locations," Perkins said.

That answer doesn't satisfy at least one consumer advocate.

"The 'why' question is never addressed," said Beth Givens, director of the San Diego-based Privacy Rights Clearinghouse, a nonprofit consumer information and advocacy organization.

"Why was this sensitive data in the car in the first place? It makes them look more negligent than they are already perceived as being."

Givens was one of the affected customers and received a letter from Hotels.com.

"It didn't really explain much," she said. "None of those letters give much information to the affected individual."

Ernst & Young is providing affected customers with a toll-free hotline to answer any questions as well as free credit monitoring for a year.

Although the data did not include Social Security numbers, which is the key to successful identity theft, customers should still take advantage of the free credit-monitoring offer, Givens said.

"I don't think [identity theft is] a potential risk unless there is something they're not telling us," she said. "Usually, people want to monitor their credit when there is potential for fraudulent new accounts."

Travelers should also be careful where they discard boarding passes, because some contain information.

This spring, data security expert Adam Laurie performed an experiment for the Guardian newspaper in London. Using only the information on a British Airways boarding pass found in the trash at a London train station, he bought a ticket in the passenger's name and accessed his information using the frequent-flier number on the boarding pass. Never asked for a password, Laurie was able to access the passenger's passport number, issue date, issuing office, nationality, country of residence and date of birth.

"The security flaw was due to an interaction between B.A.'s collection of data for both their loyalty program and advance passenger information," Laurie, technical director of the Bunker, a hardware and software security firm based in Kent, England, said in an e-mail interview. (Advance passenger information is a program of the U.S. government that gathers data on foreigners traveling to the U.S.)

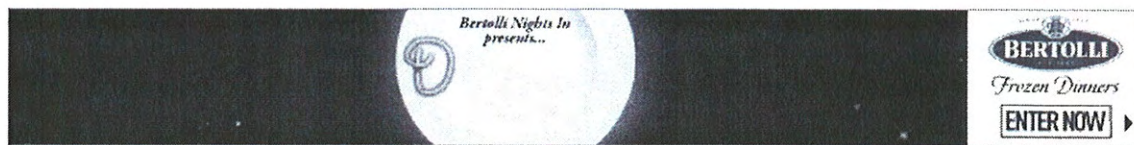
Laurie said he had not tried to reproduce these results on other airline websites, and British Airways said it corrected the security flaws on its site. Still, Laurie urged caution when discarding documents that contain identifying information.

"Any channel by which personal information can leak and/or be exploited should be taken very seriously," he said.

Here are some tips offered by the Privacy Rights Clearinghouse:

- Clean out your wallet before a trip. Remove unnecessary credit cards, your Social Security card and other unneeded documents that could compromise your identity if they are lost or stolen.

EXHIBIT C PAGE 12

<http://www.latimes.com/news/printedition/california/la-me-briefs13feb13,0,1938813.story?page=2>
From the Los Angeles Times

BRIEFS

February 13, 2008

LOS ANGELES

Council passes spay, neuter law

The City Council voted 14 to 1 Tuesday to pass an ordinance mandating that most pet dogs and cats in the city be sterilized at as early as 4 months.

The dissenter was Councilman Bill Rosendahl, who commented a week and a half ago that he had problems with requiring that dogs be altered so young and that he believed the city should focus first on licensing more dogs.

Exemptions will be available for animals of licensed breeders, show animals, service animals and those pets whose veterinarians believe the procedure too risky.

The bill goes into effect 45 days after Mayor Antonio Villaraigosa signs it, which he is expected to do. The city shelter system offers discount vouchers for spay-neuter services. In addition, pet owners can make an appointment for free spaying and neutering procedures at various locations throughout the city on Spay Day LA, Feb. 24. For information or to make appointments: www.spaydayla.com or (877) 893-4547.

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LOS ANGELES

Man is burned in refinery fire

A man was injured Tuesday in an electrical flash fire at a Wilmington oil refinery, authorities said.

A contractor suffered first- and second-degree burns in a flash fire at Ultramar Refinery, possibly caused by a short-circuit in an electrical panel, said Ron Myers, a spokesman for the Los Angeles Fire Department.

Fire officials responded shortly after noon in the 2400 block of Anaheim Street but found the fire extinguished, Myers said.

"Whenever you have, for some reason, a short, it flashes and gives off heat momentarily. It's like lightning," Myers said. "Fortunately, he did not suffer any life-threatening injuries."

The injured man was taken to St. Mary Medical Center in Long Beach.

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LOS ANGELES COUNTY

Deal cuts cost of green vehicles

Supervisors approved a discount program for county employees Tuesday that shaves the price off fuel-efficient vehicles.

Officials say the move is an effort to encourage the nearly 100,000 county workers and their immediate families to buy more environmentally friendly forms of transportation.

The program, which so far is valid only at El Monte-based Longo Toyota, will place a price cap on all hybrid vehicles sold at the dealership. The base price for a Toyota Prius, which the dealership sells for \$23,184, would be lowered to \$21,746, for example.

Supervisor Yvonne B. Burke also asked county staff to study the possibility of extending discounts to retired employees, as well as those who contract with the county.

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LOS ANGELES COUNTY

Count ballots, supervisors say

County elections officials should devise a way to count as many of the estimated 50,000 disqualified ballots as possible from last week's primary election as soon as possible, supervisors told Interim Registrar-Recorder Dean Logan on Tuesday.

The votes were disqualified when independent voters who wanted to vote in the Democratic primary failed to mark a bubble that indicated they were voting as a Democrat.

EXHIBIT C PAGE 13

Logan told the board that the practice, which was used only in Los Angeles County, would be discontinued. Most of the disqualified ballots, about 57%, originated in the 37th Congressional District, which includes Long Beach, Compton and Signal Hill, Logan said.

Supervisors also approved a \$1.7-million online system to better train poll workers.

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FULLERTON

Modesto school IDs are stolen

A computer drive holding names, addresses, birth dates and Social Security numbers of all 3,500 Modesto city schools employees has been stolen from a local data processing firm, authorities said Tuesday.

Sgt. Linda King of the Fullerton Police Department said a hard drive and three monitors were stolen in a burglary at Systematic Automation Inc.

No cases of identity theft connected with the data breach have been reported.

-- From the Associated Press

LAKE MEAD

Reservoirs may dry up, study says

The West's great reservoirs, Lake Mead and Lake Powell, could run dry by 2021 without a drastic change in water consumption, according to an analysis released Tuesday.

The two reservoirs, which now contain 25 million acre-feet of water, are losing about 1 million acre-feet a year as a result of rising demand and persistent drought.

The study, to be published in the journal Water Resources Research, analyzed how global warming is likely to increase the strain on the Colorado River. Climate models predict that precipitation will decline and evaporation will increase across much of the western United States.

The reservoirs serve as protection against drought for the 27 million people who rely on water from the Colorado.

"The only option is to not take as much water out," said Tim Barnett, a marine geophysicist at Scripps Institution of Oceanography in La Jolla and lead author of the study.

The U.S. Bureau of Reclamation, which manages the Colorado River, has a plan to reduce allocations if the reservoirs drop below certain levels.

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SACRAMENTO

CHP leader quits; successor named

California Highway Patrol Commissioner Mike Brown is resigning after three years heading the department.

Gov. Arnold Schwarzenegger appointed Deputy Commissioner Joseph Farrow to replace Brown as head of the agency and its more than 10,000 employees. Farrow, 52, takes over March 1.

Brown has been criticized repeatedly by some state lawmakers. The state auditor recently found that the CHP wasted money in buying new guns, motorcycles, patrol car equipment and in using an executive aircraft.

Farrow became a Highway Patrol officer in 1979 and has been deputy commissioner since November 2004. He will earn \$169,500.

-- From the Associated Press

MALIBU

Barron Hilton is arrested

Barron Hilton, younger brother of socialite Paris Hilton, was arrested and booked on suspicion of drunken driving Tuesday morning.

Shortly before 8 a.m., a driver reported Hilton, 18, of Beverly Hills, driving erratically and on the wrong side of the road, on Pacific Coast Highway near Latigo Canyon Road, according to a sheriff's report.

Hilton, driving a black Mercedes-Benz, eventually pulled over and the witness told him to sit on a bus bench until sheriff's deputies arrived, according to the report.

It said Hilton's blood-alcohol level registered 0.14%.

He was booked into jail and posted a \$20,000 bond. He also was charged with possession of a counterfeit driver's license, according to the report.

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EXHIBIT C PAGE 14