

Jennifer Johnson

From: Cathi Davidson <cpd@c2financial.com>
Sent: Monday, June 1, 2026 2:58 PM
To: Consumer Protection Mailbox
Subject: Data Breach Notification

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CONSUMER PROTECTION
DIVISION

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On April 25, 2026, C2 received notification from Quantum Reverse, a software provider that hosts a loan operating system utilized in connection with HECM transactions, that an unauthorized individual had gained access to a Quantum user account login. The compromised user account was targeted through a sophisticated phishing technique commonly referred to as “device-code phishing,” which leverages legitimate Microsoft two-factor authentication programs in a manner that can permit threat actors to evade traditional multifactor authentication protections.

The attacker gained access to certain loan application files before the unauthorized access was identified and terminated through C2’s information security response procedures. The affected account was promptly isolated and secured, and remediation measures were implemented, including an immediate password reset, revocation of active security tokens and sessions, removal and re-registration of multifactor authentication methods, and review of mailbox rules for unauthorized forwarding configurations or other suspicious activity. Based on the Company’s investigation to date, the unauthorized activity appears to have been limited to the single compromised user account.

It was determined that the personal information of approximately 53 Idaho consumers was subject to potential unauthorized access. Accordingly, C2 provided notice to affected consumers and is offering twenty-four (24) months of credit monitoring, identity theft protection services, and identity theft insurance coverage of up to \$1,000,000 through Aura, a company specializing in identity protection and data security services. The costs associated with these services will be borne by C2.

C2 has notified federal law enforcement of the incident through the Internet Crime Complaint Center operated by the Federal Bureau of Investigation. At this time, C2 is not aware of any confirmed instances of identity theft, fraud, or misuse of consumer information arising from the incident. C2 is also providing notifications to applicable state regulatory agencies and other governmental authorities as required by law.

C2 Financial

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