

Via Federal Express

August 9, 2013

Attorney General Joseph Foster
New Hampshire Office of the Attorney General
33 Capital Street
Concord, NH 03301

Dear Attorney General Foster:

We are writing to inform you about a security incident experienced by our payroll vendor ADP that affected the personal information of 3 New Hampshire residents. ADP has previously informed your office about this event, but McKesson also is providing specific notice regarding its affected employees. ADP prepares annual payroll tax statements for McKesson employees, for use by our employees to file with their annual income tax forms. In some cases, McKesson employees can access their statement via an online service, allowing them to download and save a PDF version of the statement. As required for tax filing purposes, each PDF presents the payroll tax information (including the employee's name and Social Security number, as well as income and tax information) on the face of the document.

On April 29, 2013, ADP discovered that a small number of the PDF files created for its clients, including McKesson, contained embedded information pertaining to another employee of the same client. This information included the other employee's name, Social Security number and gross annual wages. This information is not visible when the file is opened using Adobe Acrobat, nor is it visible if the PDF file is printed. As a result, individuals who received the affected tax documents would not typically know that they have the embedded information. Each of the affected PDFs accessible by a McKesson employee contained the information of another McKesson employee. ADP determined that this problem existed for the period 2010 to 2012, although not all employees were impacted for all three years, and it may be the case that an employee's data was impacted for only one or two of the years.

Upon discovering the incident, ADP launched an investigation. The investigation revealed that the root cause of the incident was a coding error within ADP's application that caused a very small percentage of payroll tax forms to contain incorrectly embedded information. We have been assured that as soon as ADP discovered the cause of the error, it took immediate action to correct the problem. ADP has informed us that the coding error was corrected on May 4. ADP also reported that it has no evidence to suggest that any McKesson employees' information was viewed by an unauthorized person or has been used for an unintended purpose. As a precautionary measure, however, ADP is offering all potentially affected McKesson employees a free one-year membership of Experian's ProtectMyID™ Alert. This product helps detect possible misuse of personal information and provides employees with identity protection services focused on immediate identification and resolution of identity theft.

McKesson Corporation
One Post Street
San Francisco, CA 94104

www.mckesson.com

ADP is providing notice of the incident to all affected McKesson employees on our behalf. On or about July 29, 2013, ADP began mailing written notice to all affected McKesson employees residing in New Hampshire. The letter includes enrollment instruction for Experian's ProtectMyID™ Alert. The letter also recommends steps employees can take to protect their identity, including informing them that they should report suspected incidents of identity theft to local law enforcement or the attorney general. It also provides them with the contact information for the national credit reporting agencies and the Federal Trade Commission. A copy of the template notice letter is attached to this letter.

McKesson takes this matter very seriously. Protecting the personal information of our employees is very important to us. We have taken steps to confirm that ADP has taken all actions represented to us to protect the personal information of our employees and to prevent similar incidents from occurring in the future.

If you have any questions about this incident, please contact Sheila Fischer Kiernan, Chief Compliance Officer, Corporate Functions McKesson Corporation at 415-983-8740 or sheila.fischerkiernan@mckesson.com.

Most sincerely,



Sheila Fischer Kiernan

Attachment



PO Box 95
Alpharetta, GA 30009-0095

Date

Dear,

ADP provides payroll-related services to your employer, [insert McKesson entity]. As part of providing these services, ADP produces payroll and income tax forms and other documents that include your personal information. You are receiving this letter because we discovered that from 2010 to 2012 your name and Social Security number were inadvertently embedded in the electronic/PDF version of another employee's W-2 statements. This information was not visible using software that most people use to view PDF files, nor would your personal information appear on the other employee's W-2 statements when the document is printed, but out of an abundance of caution, we are notifying you of this issue and offering you one year of free membership to Experian's ProtectMyID™ Alert. We truly regret that this happened.

What are the risks that my information will be misused?

We have no evidence that your information has been viewed by any unauthorized person or has been used for any unintended purposes. Nonetheless, as a precautionary measure, we are offering you credit monitoring at no cost to you.

What is ADP doing to protect me?

Upon recent discovery of the incident, ADP took prompt action to investigate the matter. We also initiated a corrective action plan to correct the error and to prevent similar incidents from occurring in the future.

To help protect your identity, ADP is offering you a **free** one-year membership of Experian's ProtectMyID™ Alert. This product helps detect possible misuse of your personal information and provides you with identity protection services focused on immediate identification and resolution of identity theft. Enrollment instructions are provided on the attached sheet. Please enroll as soon as possible.

Once your enrollment in ProtectMyID is complete, you should carefully review your Experian credit report for inaccurate or suspicious items. If you have any questions about ProtectMyID, need help understanding something on your credit report or suspect that an item on your credit report may be fraudulent, please contact Experian's customer care team at 866-617-1920.

Should I do anything else?

You will have access to your Experian consumer credit report as part of the ProtectMyID product. We recommend that you check your other consumer reports annually.

You may obtain a free copy of your credit report once every 12 months from each of the nationwide consumer reporting agencies by visiting <http://www.annualcreditreport.com> or by contacting the consumer reporting agencies at:

Equifax
(800) 685-1111
P.O. Box 740241
Atlanta, GA 30374-0241
www.equifax.com

Experian
(888) 397-3742
P.O. Box 9532
Allen, TX 75013
www.experian.com

TransUnion
(800) 916-8800
P.O. Box 6790
Fullerton, CA 92834-6790
www.transunion.com

You may wish to place a fraud alert on your credit report. The fraud alert is a consumer statement that alerts creditors of possible fraudulent activity within your report and requests they contact you prior to establishing any accounts in your name. Once the fraud alert is added to your credit report, all creditors should contact you prior to establishing any account in your name. Visit Experian's Credit Fraud Center https://www.experian.com/fraud/center_rd.html to add an initial security alert and immediately view your report for any potential fraudulent activity. You may also call 1-888-EXPERIAN (1-888-397-3742) to add a security alert.

You can obtain further information about fraud alerts and security freezes from these sources as well as from the Federal Trade Commission (FTC), whose contact information is listed below.

We also recommend that you carefully review all your account statements during the next 24 months to make certain there have been no unauthorized transactions made or new accounts opened in your name. Contact your financial institutions immediately if there is unauthorized activity on your accounts or if an unauthorized account has been opened in your name.

Where can I go for more information?

If you want to learn more about identity theft, visit the following helpful websites:

- The Federal Trade Commission runs the U.S. government's identity theft information website, <http://www.ftc.gov/bcp/edu/microsites/idtheft/> you can also contact the Federal Trade Commission via phone at 1-877-ID-THEFT (877-438-4338) or via mail to:

Federal Trade Commission - Consumer Response Center
600 Pennsylvania Avenue, NW, Washington, DC 20580

- The Identity Theft Resource Center is a non-profit organization that you can contact online at <http://www.idtheftcenter.org/> or via email to itrc@idtheftcenter.org.

If you suspect you have become a victim of identity theft, you should promptly contact your local law enforcement, state Attorney General, and the Federal Trade Commission.

Is there anything else I should know?

Please know that ADP takes the security of your personal data very seriously and is committed to minimizing the risks associated with the exposure of your personal information. The security of your information is of paramount importance to us and we maintain numerous safeguards to protect your information. Again, we sincerely apologize for this incident and regret any inconvenience it may cause you. Should you have questions or concerns regarding this matter and/or the protections available to you, please do not hesitate to contact us at 866-617-1920.

Sincerely,



Gary Lott
Division VP/General Manager
ADP Compliance and Payment Solutions

ADDITIONAL INFORMATION FOR RESIDENTS OF MARYLAND:

Maryland residents may contact the Maryland Attorney General's Office for more information about identity theft:

Office of the Maryland Attorney - General Consumer Protection Division
200 St. Paul Place, Baltimore, MD 21202
1-888-743-0023
www.oag.state.md.us

ADDITIONAL INFORMATION FOR RESIDENTS OF NORTH CAROLINA:

North Carolina residents may contact the North Carolina Attorney General's Office for more information about identity theft:

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

ADDITIONAL INFORMATION FOR RESIDENTS OF WEST VIRGINIA:

You have the right to place a security freeze on your consumer reports. A security freeze is designed to prevent credit, loans, and services from being approved in your name without your consent. However, using a security freeze may delay your ability to obtain credit. You may request that a freeze be placed on your consumer report by sending a request to a credit reporting agency by certified mail, overnight mail or regular stamped mail to the address below.

Equifax Security Freeze
P.O. Box 105788
Atlanta, GA 30348

Experian Security Freeze
P.O. Box 9554
Allen, TX 75013

TransUnion (FVAD)
P.O. Box 6790
Fullerton, CA 92834-6790

The following information should be included when requesting a security freeze: full name, with middle initial and any suffixes; Social Security number; date of birth (month, day and year); current address and previous addresses for the past two years; and applicable fee (if any) or incident report or complaint with a law enforcement agency or the Department of Motor Vehicles. The request also should include a copy of a government issued identification card, such as a driver's license, state or military ID card, and a copy of a utility bill, bank or insurance statement. Each copy should be legible, display your name and current mailing address, and the date of issue (statement dates must be recent).

THE CONSUMER REPORTING AGENCY MAY CHARGE A REASONABLE FEE OF UP TO \$5.00 TO PLACE A FREEZE OR LIFT OR REMOVE A FREEZE, UNLESS YOU ARE A VICTIM OF IDENTITY THEFT OR THE SPOUSE OF A VICTIM OF IDENTITY THEFT, AND HAVE SUBMITTED A VALID POLICE REPORT RELATING TO THE IDENTITY THEFT TO THE CONSUMER REPORTING COMPANY.

Activate ProtectMyID Now in Three Easy Steps

1. ENSURE That You Enroll By: September 30, 2013
2. VISIT the ProtectMyID Web Site: www.protectmyid.com/redeem or call 866-617-1920 to enroll
3. PROVIDE Your Activation Code:

Once your ProtectMyID membership is activated, your credit report will be monitored daily for 50 leading indicators of identity theft. You'll receive timely Credit Alerts from ProtectMyID on any key changes in your credit report which could include new inquiries, new credit accounts, medical collections and changes to public records.

ProtectMyID provides you with powerful identity protection that will help detect, protect and resolve potential identity theft. In the case that identity theft is detected, ProtectMyID will assign a dedicated U.S.-based Identity Theft Resolution Agent who will walk you through the process of fraud resolution from start to finish for seamless service.

We realize that identity theft can happen months and even years after a data breach. To offer added protection, you will receive ExtendCARE™, which provides you with the same high-level of Fraud Resolution support even after your ProtectMyID membership has expired.

Your complimentary 12 month ProtectMyID membership includes:

- **Credit Report:** A free copy of your Experian credit report
- **Daily 3 Bureau Credit Monitoring:** Alerts you of suspicious activity including new inquiries, newly opened accounts, delinquencies, or medical collections found on your Experian, Equifax and TransUnion credit reports.
- **Identity Theft Resolution:** If you have been a victim of identity theft, you will be assigned a dedicated, U.S.-based Experian Identity Theft Resolution Agent who will walk you through the fraud resolution process, from start to finish.
- **ExtendCARE:** Full access to the same personalized assistance from a highly-trained Fraud Resolution Agent even after your initial ProtectMyID membership expires.
- **\$1 Million Identity Theft Insurance¹:** As a ProtectMyID member, you are immediately covered by a \$1 Million insurance policy that can help you cover certain costs including, lost wages, private investigator fees, and unauthorized electronic fund transfers.

Activate your membership today at www.protectmyid.com/redeem or call 866-617-1920 to register with the activation code abo

¹Identity theft insurance is underwritten by insurance company subsidiaries or affiliates of Chartis, Inc. The description herein is a summary and intended for informational purposes only and does not include all terms, conditions and exclusions of the policies described. Please refer to the actual policies for terms, conditions, and exclusions of coverage. Coverage may not be available in all jurisdictions.