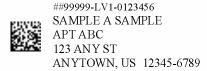


February 18, 2014



Dear Sample A Sample,

I am writing on behalf of Blue Shield of California ("Blue Shield") to advise you of a recent incident that resulted in our disclosure of your Blue Shield Agent ID number to one or more of your clients who may have attempted to pay for their Individual and Family Plan policy through our online payment system. The Agent ID number is your Tax Identification Number which, in your case, is your Social Security Number ("SSN"). We have no reason to believe that your personal information has been misused, but we apologize for this incident and regret the concern or inconvenience it may cause you. The details of the incident and the steps we have taken to address it are described below.

On January 15, 2014, Blue Shield received a report that a transaction confirmation page on our website for Individual and Family Plan members (the "Website") was displaying Agent ID numbers that were, in some cases, the agents' SSNs. The Website page shows billing, payment, and other account information associated with an applicant/policyholder's Blue Shield account. Blue Shield uses the agent's name and Agent ID number as a means of associating agents with their clients to facilitate record keeping and policy administration. The transaction confirmation pages containing your Agent ID number/SSN were displayed to those of your clients who applied and/or paid for Blue Shield coverage through the Website between December 20, 2013 and January 16, 2014. The Agent ID number was not presented in a format that would suggest that it was an SSN (that is, it did not include dashes or spaces that align to the standard "000-00-0000" SSN format). Therefore, the fact that the Agent ID number was an SSN would not have been readily apparent to your clients.

Upon receiving this report, Blue Shield took immediate steps to remove the display of the Agent ID number from the Website, which was fully completed by January 16, 2014. In order to ensure that this issue does not recur, we are also taking steps to improve our procedures for verifying the information that may be displayed on our Website.

We have no reason to believe that your personal information has been misused. However, we would like to help you to protect yourself against potential misuse by offering you a free one-year membership in Experian's ProtectMyIDTM Alert. This product, which is described below, helps detect possible misuse of your personal information and provides you with identity protection services focused on immediate identification and resolution of identity theft. ProtectMyID is completely free to you, and enrolling in this program will not hurt your credit score.

You should remain vigilant for incidents of fraud and identity theft by regularly reviewing your account statements and monitoring free credit reports. If you discover any suspicious or unusual activity on your accounts or suspect fraud, be sure to report it immediately to your financial institutions. In addition, you may contact the Federal Trade Commission ("FTC") or law enforcement to report incidents of identity theft or to learn about steps you can take to protect yourself from identity theft. To learn more, you can go to the FTC's website, at www.consumer.gov/idtheft, call the FTC, at (877) IDTHEFT (438-4338), or write to Federal Trade Commission, Consumer Response Center, 600 Pennsylvania Avenue, NW. Washington, DC 20580.









You may also periodically obtain credit reports from each nationwide credit reporting agency. If you discover information on your credit report arising from a fraudulent transaction, you should request that the credit reporting agency delete that information from your credit report file. In addition, under federal law, you are entitled to one free copy of your credit report every 12 months from each of the three nationwide credit reporting agencies. You may obtain a free copy of your credit report by going to www.AnnualCreditReport.com or by calling (877) 322-8228. You may contact the nationwide credit reporting agencies at:

Equifax (800) 525-6285 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) 680-7289 Fraud Victim Assistance Division P.O. Box 6790 Fullerton, CA 92834-6790 www.transunion.com

In addition, you may obtain information from the FTC and the credit reporting agencies about fraud alerts and security freezes. You can add a fraud alert to your credit report file to help protect your credit information. A fraud alert can make it more difficult for someone to get credit in your name because it tells creditors to follow certain procedures to protect you, but it also may delay your ability to obtain credit. You may place a fraud alert in your file by calling just one of the three nationwide credit reporting agencies listed above. As soon as that agency processes your fraud alert, it will notify the other two agencies, which then must also place fraud alerts in your file.

To activate your complimentary one-year membership in ProtectMyID from Experian, visit the website listed below and enter your individual activation code (listed below). If you prefer, you can enroll by phone by calling (877) 371-7902 (toll free) and speaking with an Experian Customer Care representative.

ProtectMyIDTM Alert Web Site: http://www.protectmyid.com/redeem

 $\textbf{Your Activation Code:} \ ABCDEFGHIJKL$

You Must Enroll By: 05/31/2014

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.

Once your enrollment in ProtectMyID is complete, you should carefully review your credit reports for potentially inaccurate or suspicious items. If you have 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 at (877) 371-7902.

We sincerely apologize and regret any inconvenience this incident has caused you. Should you have questions regarding this matter, please do not hesitate to contact us at **1-855-770-0003**, Monday through Friday, 9:00 a.m. to 7:00 p.m. Eastern Time. (Closed on U.S. observed holidays.) Please be prepared to provide the following ten digit reference number when calling: **5158021214**.

Sincerely,

Hope H. Scott, Esq. Chief Privacy Official