

State Farm Mutual Automobile Insurance Company, its affiliates and subsidiaries
One State Farm Plaza
Bloomington, IL 61710-0001

<Date>

<First> <Last>
<Street Address>
<City, State, Zip>

Dear <First> <Last>,

Notice of Data Breach

We value you as a customer and we know how much privacy means to you. The privacy of our customers is important to State Farm[®], which is why we are writing to let you know about a data security incident that involved your personal information.

What Happened:

On January 21, 2016, State Farm opened an investigation related to employees of a State Farm independent contractor agent in Chino Hills, CA. The investigation determined there was misappropriation of customer funds as well as misuse of customer financial cards to make payments and/or replace customer payments that were either diverted or not correctly applied to customers' accounts.

What Information Was Involved:

At this time, our investigation has identified misappropriation of customer funds, misuse of some customer financial cards, and accessing and changing some customers' contact information. In addition, in some instances information was used to add additional insurance coverage without the policyholders' knowledge and consent.

What We Are Doing:

State Farm terminated the system access and authority of these individuals to act on its behalf. State Farm is engaged in remediation activities for individuals identified as involved in this incident.

What You Can Do:

As a precautionary measure and at our expense, we are offering you a 12-month subscription to a credit monitoring and identity theft protection service called TransUnion Credit Monitoring[®]. This service will provide you with a copy of your credit report, monitor your credit files at the three major credit reporting agencies, notify you of certain suspicious activities that could indicate potential identity theft, and provide up to \$1,000,000 Identity Theft insurance for you and your covered family members if you are victims of identity theft. This program is provided by TransUnion Interactive, a subsidiary of TransUnion, one of the three nationwide credit reporting companies.

To learn more about TransUnion Credit Monitoring[®] and to enroll in an online service, go to www.truecredit.com/code, follow the online instructions and enter gift certificate code **XXXX-XXXX-XXXX-XXXX** when prompted. To enroll by phone for a paper-based service delivered through the mail, please contact TransUnion's Call Center toll-free at 800-354-1036, Monday–Friday, 8:30 am – 7:30 pm (Eastern Time). Provide this 6-digit Offer ID, **XXXXXX**, to the customer service representative. This offer will be available until **August 16, 2016**. For more information, please see "Frequently Asked Questions" at the end of this letter.

We offer the following information for general awareness:

- ❖ You should remain vigilant for the next 12 to 24 months by reviewing and monitoring your accounts and credit reports. If you do find suspicious activity on your accounts, call your local police or your state Attorney General's office to file a report. You have a right to obtain a police report if you are a victim of identity theft. Information about identity theft, fraud alerts, and security freezes can be obtained from the sources listed below.
- ❖ If you discover suspicious activity on any of your billings and other accounts, notify the account issuer of the fraudulent use and work with the institution to remove fraudulent transactions. A fraud alert tells creditors to contact you before they open any new accounts or make changes to your existing accounts, however, this could also slow down a credit application process. A fraud alert generally stays in place for 90 days. You may want to contact the fraud department of one of the credit reporting agencies below to place a fraud alert on your consumer credit report.
 - **Equifax:** 800-525-6285; www.alerts.equifax.com/; P.O. Box 740256, Atlanta, GA 30374
 - **Experian:** 888-397-3742; www.experian.com/fraud/; P.O. Box 9554, Allen, TX 75013
 - **TransUnion:** 800-680-7289; www.transunion.com/fraud/; P.O. Box 2000, Chester, PA 19022
- ❖ You are entitled to receive a free copy of your credit report annually from each of the three major reporting agencies. You may request it through one of the following methods:
 - **Phone:** toll free number – 877-322-8228
 - **Online:** www.annualcreditreport.com
 - **U.S. Mail:** Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348-5281

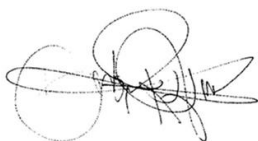
Even if you do not find any signs of fraud on your initial report, we recommend that you periodically check your credit reports.

- ❖ You may place a “security freeze” (also known as a “credit freeze”) on your credit file. A security freeze is designed to prevent potential creditors from accessing your credit report at the three national credit bureaus without your consent. Unlike a fraud alert, you must separately place a security freeze on your credit file at each credit bureau listed above. Because the instructions for how to establish a security freeze differ from state to state, please contact the three credit bureaus to find out more information.
- ❖ Additional guidance on what identity theft is and how to report suspected fraudulent transactions can be obtained from the Federal Trade Commission (FTC):
 - **Phone:** 877-ID-THEFT (438-4338); or TTY: 866-653-4261
 - **Online:** www.ftc.gov/IDTheft
 - **U.S. Mail:** Identity Theft Clearinghouse, Federal Trade Commission, 600 Pennsylvania Avenue, NW, Washington, DC 20580

For More Information

I truly regret the inconvenience and concern this situation may have caused you. Should you have questions about this incident, please do not hesitate to contact our response center between the hours of 7:00 AM – 7:00 PM (CST), Monday - Friday at 844-309-4025.

Sincerely,



Daphney Lindsey
State Farm® Agency Administration Leader

<Cc: xxxxxxxx, State Farm Agent>

Other Important Information:

For California Residents: This notification has not been delayed by law enforcement involvement.

For Massachusetts Residents: If you are a victim of identity theft, and you provide the credit reporting agency with a valid police report, it cannot charge you to place, temporarily lift, or remove a security freeze. In all other cases, a credit reporting agency may charge you up to \$5.00 each to place, temporarily lift, or permanently remove a security freeze. Generally, you will need to provide personal information, such as name, social security number, date of birth, photo ID, proof of address and possibly a copy of a police report or complaint.

For Maryland Residents (Insurance or Mutual Fund Products): You may contact the Maryland Office of the Attorney General's Consumer Protection Division for more information on how to prevent identity theft:

- Phone: 888-743-0023
- Online: www.oag.state.md.us
- U.S. Mail: 200 ST. Paul Place, Baltimore, MD 21202

For North Carolina Residents (Insurance or Mutual Fund Products): You may contact the North Carolina Office of the Attorney General's Consumer Protection Division for more information on how to prevent identity theft:

- Phone: 919-716-6000
- Online: www.ncdoj.gov
- U.S. Mail: 9001 Mail Service Center, Raleigh, NC 27699-9001

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Frequently Asked Questions

1 – Should I place a fraud alert with one of the credit reporting agencies?

The person affected should be the one to make that decision. You should consider that it could slow down the credit application process for a while. A fraud alert stays in place for 90 days.

2 – Should I obtain a free copy of my credit report?

There is no apparent downside to doing so. Obtaining a free copy of your credit report each year is something all consumers should consider.

3 – If I choose to take advantage of TransUnion’s credit monitoring service, how do I enroll?

- On the Internet - go to <http://www.truecredit.com/code> (Be sure to use this exact website address.)
- Enter the unique 16-digit **gift certificate code** provided for you and your household in this letter.

4 – What if I have problems enrolling in the complimentary online credit monitoring service?

- Contact TransUnion’s toll-free customer service number at **800-295-4150**. Their hours are: Monday – Thursday, 8:00 am – midnight, and Friday – Sunday 8:00 am – 8:00 pm (Eastern Time).

5 – How do I enroll in TransUnion’s credit monitoring service if I do not have access to the Internet?

- Contact TransUnion’s Call Center toll-free at **800-354-1036**, Monday –Friday, 8:30 am – 7:30 pm (Eastern Time).
- Provide your household’s unique 6-digit **Offer ID** (shown on the first page of this letter) to the customer service representative.
- This is a paper-based credit monitoring service with reports delivered through the mail.

6 – What do I get with my TransUnion credit monitoring service enrollment?

- Access to your Credit Report and Credit Monitoring service for one year
- Assistance if you become a victim of Identity Theft
- Up to \$1,000,000 Identity Theft Insurance for you and your covered family members if you are victims of Identity Theft (See www.truecredit.com/code for details)