

[Insert date]

[Name]

[Address]

[City], [State] [ZIP]

NOTICE OF DATA BREACH

Dear [FIRST NAME LAST NAME],

We are writing to notify you of an issue that may involve your personal information. Below is a summary of the issue.

What Happened?

We recently became aware that a third-party vendor in possession of some of our supplier data experienced a security incident involving its Microsoft 365 environment between April and August 2017. While we do not have reason to believe that any of your information was misused or used without authorization, we are sending you this letter to provide notice of the incident and offer you ways to help safeguard your information.

What Information Was Involved?

The affected information may have included your name, address, Social Security number or employer identification number, if you provided such information to JCPenney in connection with your supplier documents.

What We Are Doing

We want to assure you that, upon discovering the issue, we promptly took steps to determine the nature of this issue and mitigate potential risk to our suppliers. Our third-party vendor engaged a data security expert to conduct a forensic investigation of the incident. We understand the vendor is taking steps to secure its systems and help prevent this type of issue from reoccurring.

What You Can Do

We take our obligation to safeguard personal information seriously and we regret that this incident may affect you. Below are steps you can take to help further protect your data:

- **Register for Identity Protection Services.** JCPenney has arranged to offer you an identity protection repair service and credit monitoring provided by AllClear ID, at no cost to you, for 12 months. These services start on the date of this notice and you can use them any time during the next 12 months. Additional information about these services and how to enroll is contained in the attached Reference Guide.

- **Order a Credit Report.** You are entitled under U.S. law to one free credit report annually from each of the three nationwide consumer reporting agencies. To order your free credit report, visit www.annualcreditreport.com or call toll-free at 1-877-322-8228. We encourage you to remain vigilant by reviewing your account statements and monitoring your free credit reports.
- **Review the Attached Reference Guide.** The attached Reference Guide provides recommendations by the U.S. Federal Trade Commission on the protection of personal information as well as additional information about safeguarding your data.

For More Information

If you have further questions or concerns about this incident, please «Dedicated AllClear Phone», Monday through Saturday, 8 am – 8 pm CT. We sincerely regret any inconvenience or concern caused by this incident.

Sincerely,

J.C. Penney Privacy Office

Reference Guide

We encourage you to take the following steps:

Order Your Free Credit Report. To order your free credit report, visit www.annualcreditreport.com, call toll-free at 1-877-322-8228, or complete the Annual Credit Report Request Form on the U.S. Federal Trade Commission's ("FTC") website at www.consumer.ftc.gov and mail it to Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348-5281. The three consumer reporting agencies provide free annual credit reports only through the website, toll-free number or request form.

When you receive your credit report, review it carefully. Look for accounts you did not open. Look in the "inquiries" section for names of creditors from whom you haven't requested credit. Some companies bill under names other than their store or commercial names. The consumer reporting agency will be able to tell you when that is the case. Look in the "personal information" section for any inaccuracies in your information (such as home address and Social Security number). If you see anything you do not understand, call the consumer reporting agency at the telephone number on the report. Errors in this information may be a warning sign of possible identity theft. You should notify the consumer reporting agencies of any inaccuracies in your report, whether due to error or fraud, as soon as possible so the information can be investigated and, if found to be in error, corrected. If there are accounts or charges you did not authorize, immediately notify the appropriate consumer reporting agency by telephone and in writing. Consumer reporting agency staff will review your report with you. If the information can't be explained, then you will need to call the creditors involved. Information that can't be explained also should be reported to your local police or sheriff's office because it may signal criminal activity.

Register for Identity Protection and Credit Monitoring Services. We have arranged to provide you with AllClear Identity Repair and Credit Monitoring to help affected individuals protect their identity and credit information for one year at no cost to them. The following identity protection services start on the date of this notice and you can use them at any time during the next 12 months.

- **AllClear Identity Repair.** This service is automatically available to you with no enrollment required. If a problem arises, simply call [AllClear Dedicated Phone] and a dedicated investigator will help recover financial losses, restore your credit and make sure your identity is returned to its proper condition.
- **AllClear Fraud Alerts with Credit Monitoring.** This service offers the ability to set, renew, and remove 90-day fraud alerts on your credit file to help protect you from credit fraud. In addition, it provides credit monitoring services, a once annual credit score and credit report, and a \$1 million identity theft insurance policy. **To enroll in this service, you will need to provide your personal information to AllClear ID.** You may sign up online at enroll.allclearid.com or by phone by calling [AllClear Dedicated Phone] using the following redemption code: **[Redemption Code]**.

Please note: Following enrollment, additional steps are required by you in order to activate your phone alerts and fraud alerts, and to pull your credit score and credit file. Additional steps may also be required in order to activate your monitoring options.

Report Incidents. If you detect any unauthorized transactions in a financial account, promptly notify your payment card company or financial institution. If you detect any incident of identity theft or fraud, promptly report the incident to law enforcement, the FTC and your state Attorney General. If you believe your identity has been stolen, the FTC recommends that you take these steps:

- Place an initial fraud alert.
- Order your credit reports.
- Create an FTC Identity Theft Affidavit by submitting a report about the theft at <http://www.ftc.gov/complaint> or by calling the FTC.
- File a police report about the identity theft and get a copy of the police report or the report number. Bring your FTC Identity Theft Affidavit with you when you file the police report.
- Your Identity Theft Report is your FTC Identity Theft Affidavit plus your police report. You may be able to use your Identity Theft Report to remove fraudulent information from your credit report, prevent companies from refurnishing fraudulent information to a consumer reporting agency, stop a company from collecting a debt that resulted from identity theft, place an extended seven-year fraud alert with consumer reporting agencies, and obtain information from companies about accounts the identity thief opened or misused.

You can contact the FTC to learn more about how to protect yourself from becoming a victim of identity theft and how to repair identity theft:

Federal Trade Commission
 Consumer Response Center
 600 Pennsylvania Avenue, NW
 Washington, DC 20580
 1-877-IDTHEFT (438-4338)
www.ftc.gov/idtheft/

Consider Placing a Fraud Alert on Your Credit File. To protect yourself from possible identity theft, consider placing a fraud alert on your credit file. A fraud alert helps protect you against the possibility of an identity thief opening new credit accounts in your name. When a merchant checks the credit history of someone applying for credit, the merchant gets a notice that the applicant may be the victim of identity theft. The alert notifies the merchant to take steps to verify the identity of the applicant. You can place a fraud alert on your credit report by calling any one of the toll-free numbers provided below. You will reach an automated telephone system that allows you to flag your file with a fraud alert at all three consumer reporting agencies. For more information on fraud alerts, you also may contact the FTC as described above.

Equifax	Equifax Credit Information Services, Inc. P.O. Box 740241 Atlanta, GA 30374	1-800-525-6285	www.equifax.com
Experian	Experian Inc. P.O. Box 9554 Allen, TX 75013	1-888-397-3742	www.experian.com
TransUnion	TransUnion LLC P.O. Box 2000	1-800-680-7289	www.transunion.com

Consider Placing a Security Freeze on Your Credit File. You may wish to 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 file at the consumer reporting agencies without your consent. There may be fees for placing, lifting, and/or removing a security freeze, which generally range from \$5-\$20 per action. *Unlike a fraud alert, you must place a security freeze on your credit file at each consumer reporting agency individually.* For more information on security freezes, you may contact the three nationwide consumer reporting agencies or the FTC as described above. As the instructions for establishing a security freeze differ from state to state, please contact the three nationwide consumer reporting agencies to find out more information.

The consumer reporting agencies may require proper identification prior to honoring your request. For example, you may be asked to provide:

- Your full name with middle initial and generation (such as Jr., Sr., II, III)
- Your Social Security number
- Your date of birth
- Addresses where you have lived over the past five years
- A legible copy of a government-issued identification card (such as a state driver’s license or military ID card)
- Proof of your current residential address (such as a current utility bill or account statement)

For Iowa Residents. You may contact law enforcement or the Iowa Attorney General’s Office to report suspected incidents of identity theft. This office can be reached at:

Office of the Attorney General of Iowa
Hoover State Office Building
1305 E. Walnut Street
Des Moines, IA 50319
(515) 281-5164
www.iowaattorneygeneral.gov

For Maryland Residents. You can obtain information from the Maryland Office of the Attorney General about steps you can take to avoid identity theft. You may contact the Maryland Attorney General at:

Maryland Office of the Attorney General
Consumer Protection Division
200 St. Paul Place
Baltimore, MD 21202
(888) 743-0023 (toll-free in Maryland)
(410) 576-6300
www.oag.state.md.us

For Massachusetts Residents. You have the right to obtain a police report and request a security freeze as described above. The consumer reporting agencies may charge you a fee of up to \$5 to place a security freeze on your account, and may require that you provide certain personal

information (such as your name, Social Security number, date of birth, and address) and proper identification (such as a copy of a government-issued ID card and a bill or statement) prior to honoring your request. There is no charge, however, to place, lift or remove a security freeze if you have been a victim of identity theft and you provide the consumer reporting agencies with a valid police report.

For New Mexico Residents. You have rights under the federal Fair Credit Reporting Act (“FCRA”). These include, among others, the right to know what is in your file; to dispute incomplete or inaccurate information; and to have consumer reporting agencies correct or delete inaccurate, incomplete, or unverifiable information. For more information about the FCRA, please visit <https://www.consumer.ftc.gov/articles/pdf-0096-fair-credit-reporting-act.pdf> or www.ftc.gov.

For North Carolina Residents. You can obtain information from the North Carolina Attorney General’s Office about preventing identity theft. You can contact the North Carolina Attorney General at:

North Carolina Attorney General’s Office
9001 Mail Service Center
Raleigh, NC 27699-9001
(877) 566-7226 (toll-free in North Carolina)
(919) 716-6400
www.ncdoj.gov

For Oregon Residents. We encourage you to report suspected identity theft to the Oregon Attorney General at:

Oregon Department of Justice
1162 Court Street NE
Salem, OR 97301-4096
(877) 877-9392 (toll-free in Oregon)
(503) 378-4400
<http://www.doj.state.or.us>

For Rhode Island Residents. You may obtain information about preventing and avoiding identity theft from the Rhode Island Office of the Attorney General at:

Rhode Island Office of the Attorney General
Consumer Protection Unit
150 South Main Street
Providence, RI 02903
(401)-274-4400
<http://www.riag.ri.gov>

You have the right to obtain a police report and request a security freeze as described above. The consumer reporting agencies may charge you a fee of up to \$10 to place a security freeze on your account, and may require that you provide certain personal information (such as your name, Social Security number, date of birth, and address) and proper identification (such as a copy of a government-issued ID card and a bill or statement) prior to honoring your request for a security

freeze. There is no charge, however, to place, lift or remove a security freeze if you have been a victim of identity theft and you provide the consumer reporting agencies with a valid police report.