

<<MemberFirstName>> <<MemberLastName>>
<<Address1>>
<<Address2>>
<<City>>, <<State>> <<Zip Code>>

<<Date>> (Format: Month Day, Year)

Notice of Data Breach

Dear <<MemberFirstName>> <<MemberLastName>>,

We are writing to tell you about a data security incident that may have exposed some of your personal information. We take the protection and proper use of your information very seriously. For this reason, we are contacting you directly to explain the circumstances of the incident.

What happened?

On December 14, 2015, we discovered that a HealthEquity employee inadvertently sent an email on December 11 containing some of your personal information to another employer with whom HealthEquity does business with. We took immediate actions to correct it, including confirming that the recipients had deleted the e-mail.

What information was involved?

Your personal information included your name and Social Security number.

What we are doing.

We are taking steps to prevent this from occurring again in the future. Given the circumstances, we believe this represents a low risk of identity theft for you.

To help relieve concerns and restore confidence following this incident, we have secured the services of Kroll to provide identity monitoring at no cost to you for one year. Kroll is a global leader in risk mitigation and response, and their team has extensive experience helping people who have sustained an unintentional exposure of confidential data. Your identity monitoring services include Credit Monitoring, Web Watcher, Public Persona, Quick Cash Scan, \$1 Million Identity Theft Insurance, and Identity Theft Consultation and Restoration.

Visit <<IDMonitoringURL>> to enroll and take advantage of your identity monitoring services.

Membership Number: <<Member ID>>

To receive credit services by mail instead of online, please call 1-???-???-???. Additional information describing your services is included with this letter.

What you can do.

Please review the enclosed "Additional Resources" section included with this letter. This section describes additional steps you can take to help protect yourself, including recommendations by the Federal Trade Commission regarding identity theft protection and details on how to place a fraud alert or a security freeze on your credit file.

For more information.

If you have questions, please call 1-???-???-???, Monday through Friday from 8:00 a.m. to 5:00 p.m. Central Time. Please have your membership number ready.

Protecting your information is important to us. We trust that the services we are offering to you demonstrate our continued commitment to your security and satisfaction.

Sincerely,

HealthEquity Member Services

ADDITIONAL RESOURCES

Contact information for the three nationwide credit reporting agencies is:

Equifax, PO Box 740241, Atlanta, GA 30374, www.equifax.com, 1-800-685-1111

Experian, PO Box 2104, Allen, TX 75013, www.experian.com, 1-888-397-3742

TransUnion, PO Box 2000, Chester, PA 19022, www.transunion.com, 1-800-888-4213

Free Credit Report. It is recommended that you remain vigilant for incidents of fraud and identity theft by reviewing account statements and monitoring your credit report for unauthorized activity. You may obtain a copy of your credit report, free of charge, once every 12 months from each of the three nationwide credit reporting agencies. To order your annual free credit report please visit **www.annualcreditreport.com** or call toll free at **1-877-322-8228**. You can also order your annual free credit report by mailing a completed Annual Credit Report Request Form (available from the U.S. Federal Trade Commission's ("FTC") website at www.consumer.ftc.gov) to: Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348-5281.

For residents of Iowa, Maryland, Michigan, Missouri, North Carolina, Oregon, and West Virginia: You may obtain a copy of your credit report, free of charge, whether or not you suspect any unauthorized activity on your account.

Fraud Alert. You may place a fraud alert in your file by calling one of the three nationwide credit reporting agencies above. A fraud alert tells creditors to follow certain procedures, including contacting you before they open any new accounts or change your existing accounts. For that reason, placing a fraud alert can protect you, but also may delay you when you seek to obtain credit.

Security Freeze. You have the right to place a security freeze on your credit report.

A security freeze is intended to prevent credit, loans and services from being approved in your name without your consent. To place a security freeze on your credit report, you may be able to use an online process, an automated telephone line, or a written request to any of the three credit reporting agencies listed above. The following information must be included when requesting a security freeze (note that if you are requesting a credit report for your spouse, this information must be provided for him/her as well): (1) full name, with middle initial and any suffixes; (2) Social Security number; (3) date of birth; (4) current address and any previous addresses for the past five years; and (5) any applicable incident report or complaint with a law enforcement agency or the Registry of Motor Vehicles. The request must also include a copy of a government-issued identification card and a copy of a recent utility bill or bank or insurance statement. It is essential that each copy be legible, display your name and current mailing address, and the date of issue. The credit reporting agencies may charge a fee of up to \$5.00 to place a freeze, or lift or remove a freeze. There will be no charge, if you are a victim of identity theft or the spouse of a victim of identity theft, and you have submitted a valid police report relating to the identity theft incident to the credit reporting agencies.

Federal Trade Commission and State Attorney General's Offices. If you believe you are the victim of identity theft or have reason to believe your personal information has been misused, you should immediately contact the Federal Trade Commission and/or the Attorney General's office in your home state. Contact information for the Federal Trade Commission is **Federal Trade Commission**, Consumer Response Center, 600 Pennsylvania Avenue, NW, Washington, DC 20580, www.ftc.gov/bcp/edu/microsites/idtheft/, 1-877-IDTHEFT (438-4338).

For residents of Maryland: You may contact the Maryland Attorney General's Office at Maryland Office of the Attorney General, Consumer Protection Division, 200 St. Paul Place, Baltimore, MD 21202, www.oag.state.md.us, 1-888-743-0023.

For residents of North Carolina: You may contact the North Carolina Attorney General's office at North Carolina Office of the Attorney General, Consumer Protection Division, 9001 Mail Service Center, Raleigh, NC 27699-9001, www.ncdoj.com, 1-877-566-7226.

Reporting of identity theft and obtaining a policy report.

For residents of Iowa: You are advised to report any suspected identity theft to law enforcement or to the Iowa Attorney General.

For residents of Massachusetts: You have the right to obtain a police report if you are a victim of identity theft.

For residents of Oregon: You are advised to report any suspected identity theft to law enforcement, the Federal Trade Commission, and the Oregon Attorney General.



TAKE ADVANTAGE OF YOUR IDENTITY MONITORING SERVICES

You've been provided with access to the following services¹ from Kroll:

Credit Monitoring through TransUnion

You'll receive alerts when there are changes to your credit data—for instance, when a new line of credit is applied for in your name. If you do not recognize the activity, you'll have the option to call a Kroll investigator, who can help you determine if it's an indicator of identity theft.

Web Watcher

Web Watcher monitors internet sites where criminals buy, sell, and trade personal information. You'll be promptly notified if evidence of your identity information being traded or sold is discovered.

Public Persona

Public Persona monitors public record databases for names, aliases, and addresses that are associated with your Social Security number. If information is found, an alert email is sent.

Quick Cash Scan

Quick Cash Scan monitors thousands of short-term and cash-advance loan sources. You'll receive an alert when a loan is reported, and you can call a Kroll investigator for more information.

\$1 Million Identity Theft Insurance

Reimburses you for out-of-pocket expenses totaling up to \$1 million in legal costs for any one stolen identity event. All coverage is subject to the conditions and exclusions in the policy.

Kroll employs a team of experienced licensed investigators to provide you with expert, one-on-one assistance:

Consultation provides you with unlimited access to a dedicated licensed investigator at Kroll. Support includes best practice tips to assist in ongoing protection, explaining your rights and protections under the law, assistance with fraud alerts, and interpreting how personal information is accessed and used.

Kroll's Restoration Services are the most comprehensive of any provider. Should you become a victim of identity theft, a dedicated licensed investigator can work on your behalf to resolve related issues. Your investigator can dig deep to uncover all aspects of identity theft; and then work with creditors, collection agencies, utilities, government entities, and more to resolve it.