

<<COMPANY LETTERHEAD>>

<<DATE>>

<<Name>>

<<Address1>>

<<Address2>>

<<City>><<State>><<Zip>>

Dear <<Name>>:

At Grainger, we take data privacy and security very seriously. As part of a system review, Grainger's IT team recently identified a coding error in the Grainger.com mobile apps for iPhone and Android that resulted in the collection and storage of unsecured user names and passwords on the Grainger system. We learned on October 27, 2015 that the information was inadvertently stored in a system file that was at potential risk of unauthorized access. The issue was immediately fixed, and we continue to work with outside experts to further strengthen our coding review protocols. Please note that no payment card information or other personal information were affected by this issue. In addition, we have not received any reports of ID theft or fraud attributable to this matter.

As a precaution, we have implemented a reset for your password to the Grainger.com system, and of course, you should always use strong, complex passwords and avoid using the same password on more than one site or application. If you have questions or require assistance with your password reset, please call the Grainger System Support Center at 847.647.3275. We have also attached some general information on security tips and resources that you may find helpful.

We apologize for any inconvenience and we thank you for your partnership and support as we continue to take more aggressive action to enhance our security protocols and processes.

Sincerely,

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Marty Belle  
Vice President of Human Resources  
Grainger

Attachment

## TIPS AND RESOURCES

### What Can You Do To Help Protect Your Identity?

- Always remain vigilant against threats of ID theft or fraud. Regularly review your bank/credit card statements and credit reports for unauthorized withdrawals, charges or other suspicious activity, and immediately report issues to your financial institution. If you suspect ID theft or fraud, file a police report and obtain a copy of it.
- Be alert to “phishing” by anyone who acts like a colleague or friend and requests sensitive information over email. We will NOT ask you for sensitive information over email.

### What Government Agencies Provide Resources?

- U.S. Federal Trade Commission (FTC): The FTC has helpful information about how to avoid and protect against ID theft. Write to: Consumer Response Center, 600 Pennsylvania Ave., NW, H-130, Washington, D.C. 20580. Call Toll-Free: 1-877-IDTHEFT (438-4338); or Visit: <http://www.ftc.gov/idtheft>
- State Attorney General Offices: You may contact the Attorney General’s office in the state in which you reside for more information about preventing and managing ID theft.

### How Do I Get A Free Credit Report?

- You may obtain one (1) free copy of your credit report once every 12 months, and may purchase additional copies. Call Toll-Free: 1-877-322-8228; or Visit: <https://www.annualcreditreport.com>; or contact: Equifax, P.O. Box 740241, Atlanta, GA 30374-0241 (800) 685-1111 ([www.equifax.com](http://www.equifax.com)); Experian P.O. Box 2002, Allen, TX 75013, (888) 397-3742 ([www.experian.com](http://www.experian.com)) TransUnion, P. O. Box 1000, Chester, PA 19022, (800) 888-4213 ([www.transunion.com](http://www.transunion.com)).

### What is a “Fraud Alert”?

- You may have the right to place a fraud alert in your file to alert potential creditors that you may be a victim of identity theft. Creditors must then follow certain procedures to protect you. You should know that a fraud alert may delay your ability to obtain credit. An “initial fraud alert” stays in your file for at least 90 days. An “extended fraud alert” stays in your file for 7 years, and will require an identity theft report, which is usually a filed police report. You may place a fraud alert by calling any one of the three national consumer reporting agencies: Equifax: 1-800-525-6285; Experian: 1-888-397-3742; TransUnion: 1-800-680-7289

### What is a “Security Freeze”?

- Certain U.S. state laws allow a security freeze, which prevents credit, loans or services from being approved in your name without your consent. A security freeze can interfere with or delay your ability to obtain credit.
- To place a freeze, send a request by mail to each consumer reporting agency (addresses below) with the following (for each individual): (1) Full name, middle initial and any suffixes; (2) Social Security Number; (3) Date of Birth; (4) proof of current address (such as a utility bill or telephone bill) and list of previous addresses for past five years; (5) copy of government issued ID card, and (6) copy of police report, investigative report or complaint to law enforcement regarding ID theft. You may be charged a fee up to \$5.00 to place, lift, and/or remove a freeze, unless you are a victim of ID theft or the spouse of a victim, and you have submitted a valid police report relating to the ID theft incident to the consumer reporting agency. The consumer reporting agencies have three business days after receiving your letter to place a security freeze on your credit report. The credit bureaus must also send written confirmation to you within five (5) business days and provide you a unique PIN or password that can be used by you to authorize the removal or lifting of the security freeze.
- To lift the security freeze to allow a specific entity or individual access to your credit report, you must call or send a written request to the consumer reporting agencies by mail and include proper identification (name, address, and SSN) and the PIN number or password provided to you when you placed the security freeze as well as the identities of entities or individuals you would like to receive your credit report or the specific period of time you want the credit report available. The consumer reporting agencies have three business days after receiving your request to lift the security freeze for the identified entities or specified time period.
- To remove the security freeze, you must send a written request to each of the three credit bureaus by mail and include proper identification (name, address, and SSN) and the PIN number or password provided to you when you placed the security freeze. The credit bureaus have three business days after receiving your request to remove the freeze. Equifax Security Freeze: P.O. Box 105788, Atlanta, Georgia 30348; Experian Security Freeze: P.O. Box 9554, Allen, TX 75013; TransUnion (Fraud Victim Assistance Division): P.O. Box 6790, Fullerton, CA 92834-6790.