



Return Mail Processing Center
PO Box 6336
Portland, OR 97228-6336



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March 28, 2016

Dear [REDACTED]

NOTICE OF DATA BREACH

March 28, 2016

Sprouts Farmers Market values our team members, and we take our duty to protect your personal information very seriously.

WHAT HAPPENED?

As we previously communicated to you, the payroll department at Sprouts was the victim of a “phishing” scam the week of March 14, 2016. Specifically, Sprouts inadvertently disclosed your 2015 Form W-2 Wage and Tax Statement when fulfilling what was believed to be a legitimate request for information. We became aware of the incident on March 17, 2016.

WHAT INFORMATION WAS INVOLVED?

The information that was disclosed was your Form W-2-related information, which included your full name, address, Social Security number, wages, and withheld taxes for 2015 in the state(s) in which you pay income taxes. The Form W-2 does not contain birthdate, banking information, credit card information, or email addresses. We wanted to notify you of the incident and what steps we have taken to address the situation, as well as what steps you can take to further protect your personal information.

WHAT WE ARE DOING.

We took immediate action to investigate the incident thoroughly once it was discovered. We notified law enforcement and are currently working with the FBI to investigate this crime. Additionally, we communicated with you promptly so that you could begin monitoring your financial accounts and credit statements immediately. We also established a dedicated toll-free line and email address for additional questions: 855-814-8016 and teammemberhelp@sprouts.com. Sprouts is assessing further options to enhance our controls and make additional investments in protocols, technology, and training.

WHAT YOU CAN DO.

As a precaution, we are offering you a complimentary one-year membership of Experian's® ProtectMyID® Alert. This product 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 Alert is completely free to you, and enrolling in this program will not hurt your credit score. For more information on identity theft prevention and ProtectMyID Alert, including instructions on how to activate your complimentary one-year membership, please see the additional information provided in this letter.

You are advised to remain vigilant for incidents of fraud and identity theft by reviewing your account statements and monitoring free credit reports. Promptly report any fraudulent activity or any suspected incidents of identity theft to your financial institutions or company with which the account is maintained, as well as applicable authorities.



The following are some resources:
Federal Trade Commission ("FTC")
www.ftc.gov/idtheft
1-877-ID-THEFT (1-877-438-4338)
Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington, D.C. 20580

Take Charge: Fighting Back Against Identity Theft

This is a comprehensive guide from the FTC to help you guard against and deal with identity theft:
www.ftc.gov/bcp/edu/pubs/consumer/idtheft/idth04.shtm.

Credit Bureaus

You may also obtain a free copy of your credit report from each of the three major credit reporting agencies once every 12 months by visiting www.annualcreditreport.com, calling 1-877-322-8228, or by completing an Annual Credit Report Request Form and mailing it to Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348. You can print a copy of the request form at www.annualcreditreport.com/manualRequestForm.action.

Alternatively, you may elect to purchase a copy of your credit report by contacting one of the three national credit reporting agencies. Contact information for the three national credit reporting agencies for the purpose of requesting a copy of your credit report or for general inquiries is as follows:

Equifax
1-800-465-7166
www.equifax.com
P.O. Box 740241
Atlanta, GA 30374

Experian
1-888-397-3742
www.experian.com
P.O. Box 2002
Allen, TX 75013

TransUnion
1-800-916-8800
www.transunion.com
P.O. Box 105281
Atlanta, GA 30348

You can obtain additional information from the FTC and the nationwide credit reporting agencies about placing a security freeze on your credit files and fraud alerts. You may want to consider placing a fraud alert on your credit report. An initial fraud alert is free and will stay on your credit file for at least 90 days. The alert informs creditors of possible fraudulent activity within your report and requests that the creditor contact you prior to establishing any accounts in your name, but it may also delay your ability to obtain credit. To place a fraud alert on your credit report, contact any of the three credit reporting agencies using the contact information listed above.

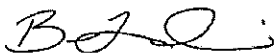
Additionally, the FTC and the Internal Revenue Service ("IRS") both generally recommend that individuals who believe that they may be at risk of taxpayer refund fraud should, in addition to the above-described steps, file their income taxes as soon as possible. The IRS further suggests that a taxpayer who is an actual or potential victim of identity theft complete and submit to the IRS Form 14039 (Identity Theft Affidavit). Form 14039 is available at www.irs.gov/pub/irs-pdf/f14039.pdf. Upon receipt of this affidavit, the IRS may flag your taxpayer account to identify questionable activity. We are also working with the IRS to determine whether there are additional measures to take.

Please also be aware of "phishing" scams going forward. The scams take various forms and are often designed to appear as if they are from Sprouts or another legitimate entity. Sprouts will not email or call you regarding this incident to ask for your personal information, and you should be cautious in opening emails, clicking on links, or giving personal information over the phone to anyone claiming to be from Sprouts.

FOR MORE INFORMATION.

On behalf of Sprouts, I want to apologize for this situation. Again, we have established a dedicated hotline and email address that you can contact if you have questions about this incident. The toll-free number is 855-814-8016, and the email address is teammemberhelp@sprouts.com.

Sincerely,



Brandon Lombardi
Chief Legal Officer

Addendum for Iowa and North Carolina Residents

For Iowa Residents

You may contact local law enforcement or the Iowa Attorney General's Office to report suspected incidents of identity theft.

Visit the Office of the Iowa Attorney General at:
www.iowaattorneygeneral.gov or call 1-515-281-5164
Office of the Attorney General
1305 E. Walnut Street
Des Moines, IA 50319

For North Carolina Residents

You can obtain information from these sources about preventing identify theft:

Federal Trade Commission:

Visit the Federal Trade Commission website at:
www.ftc.gov or call 1-877-ID-THEFT (1-877-438-4338)
or write to this address:
Federal Trade Commission
600 Pennsylvania Avenue NW
Washington, D.C. 20580

North Carolina Attorney General:

Visit the North Carolina Office of the Attorney General at:
www.ncdoj.gov or call 1-877-566-7226
or write to this address:
Attorney General's Office
9001 Mail Service Center
Raleigh, NC 27699-9001



To help protect your identity, we are offering a complimentary one-year membership of Experian's® ProtectMyID® Alert. This product helps detect possible misuse of your personal information and provides you with superior identity protection support focused on immediate identification and resolution of identity theft.

Activate ProtectMyID Now in Three Easy Steps

1. ENSURE That You Enroll By: 06.29.2016 (Your code will not work after this date.)
2. VISIT the ProtectMyID Website to enroll: www.protectmyid.com/redeem
3. PROVIDE Your Activation Code: [REDACTED]

If you have questions or need an alternative to enrolling online, please call 877-288-8057 and provide engagement #: [REDACTED]

ADDITIONAL DETAILS REGARDING YOUR 12-MONTH PROTECTMYID MEMBERSHIP:

A credit card is not required for enrollment.

Once your ProtectMyID membership is activated, you will receive the following features:

- Free copy of your Experian credit report
- Surveillance Alerts for:
 - Daily Bureau Credit Monitoring: Alerts of key changes and suspicious activity found on your Experian, Equifax®, and TransUnion® credit reports.
- Identity Theft Resolution and ProtectMyID ExtendCARE: Toll-free access to U.S.-based customer care and a dedicated Identify Theft Resolution agent who will walk you through the process of fraud resolution from start to finish for seamless service. They will investigate each incident; help with contacting credit grantors to dispute charges and close accounts, including credit, debit, and medical insurance cards; assist with freezing credit files; and contact government agencies.
 - It is recognized that identity theft can happen months and even years after a data breach. To offer added protection, you will receive ExtendCARE™, which provides you with the same high level of Fraud Resolution support even after your ProtectMyID membership has expired.
- \$1 Million Identity Theft Insurance*: Immediately covers certain costs, including lost wages, private investigator fees, and unauthorized electronic fund transfers.

Activate your membership today at www.protectmyid.com/redeem
or call 877-288-8057 to register with the activation code above.

Once your enrollment in ProtectMyID is complete, you should carefully review your credit report for inaccurate or suspicious items. If you have any 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 team at 877-288-8057.

* Identity theft insurance is underwritten by insurance company subsidiaries or affiliates of AIG. The description herein is a summary, intended for informational purposes only, and does not include all terms, conditions, and exclusions of the policies described. Please refer to the actual policies for terms, conditions, and exclusions of coverage. Coverage may not be available in all jurisdictions.