



June 29, 2009

William H. Sorrel, Attorney General  
Vermont Attorney General  
109 State Street  
Montpelier, VT 05609

Dear Mr. Sorrel;

We are writing to notify you of a privacy incident in June 2009 involving the electronic profile of some customers using the online money transfer services of MoneyGram Payment Systems, Inc. ("MoneyGram").

In June, during our routine fraud prevention practices, we discovered that the eMoney Transfer account of select customers may have been accessed by an unauthorized party or parties. **The access was not a result of breakdown in MoneyGram's security controls.** Although we have investigated thoroughly and contacted law enforcement, we do not know how the criminals obtained the customers' login information. This unauthorized access may have resulted in the ability to view or obtain specific personal information, including name, address, phone number and transaction history. It is important to note that all credit card and bank account numbers are masked with the exception of the last four numbers of the account which are viewable as is the credit card's expiration date. The accessed profile did **NOT** contain Social Security, driver's license or state identification numbers.

Three Vermont residents are affected. The residents will receive a notice dated by US Mail. A sample copy of the notice is attached. We are continuing to monitor these accounts closely and have notified appropriate law enforcement agencies who are also investigating this matter.

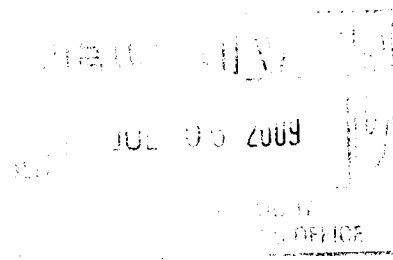
To assist our customers in guarding against any unauthorized use of personal information, MoneyGram has made arrangements through Equifax Personal Solutions to provide these customers with a discount on monthly subscription to an identity protection service.

Please keep the contents of this letter confidential and contact me if you require any additional information on this matter.

Sincerely,

A handwritten signature in cursive script that reads "Debra K. Guertin".

Debra K. Guertin  
Privacy Officer  
1550 Utica Avenue South  
Minneapolis MN 55416-5312  
E-mail: dguertin@moneygram.com  
Telephone number: (952) 591-3584  
Fax number: (952) 591-3859





(DATE)

(CUSTOMER NAME)  
(ADDRESS)  
(CITY, STATE, ZIP)

Dear \_\_\_\_\_ ;

We are writing to inform you about unauthorized access to your eMoney Transfer account at [www.emoneygram.com](http://www.emoneygram.com) that potentially could impact you and the steps we are taking to address it.

In June, during our routine fraud prevention practices, we discovered that your eMoney Transfer account may have been accessed by an unauthorized party or parties. **The access was not a result of breakdown in MoneyGram's security controls.** Although we have investigated thoroughly and contacted law enforcement that are also investigating this matter, we do not know how the criminals obtained your login information. This unauthorized access may have resulted in the ability to view or obtain specific personal information, including your name, address, phone number and transaction history. It is important to note that all credit card and bank account numbers are masked with the exception of the last four numbers of the account which are viewable as is the credit card's expiration date. The accessed profile did **NOT** contain your Social Security, driver's license or state identification numbers.

We are continuing to monitor your account closely for suspicious activity. As a preventative measure, we have blocked all access to your account. We recommend that you contact MoneyGram at the phone number below and change the password associated with your account and thereby remove the block on your account.

Although MoneyGram does not believe your account has been the subject of any fraudulent activity, we want to suggest precautionary steps you may want to take. Since an unauthorized third party apparently has your user ID and password for your eMoney Transfer account, we highly recommend you change the password for any other of your online accounts where you may use the same user ID and password.

As you continue to use eMoney Transfer services, we will make every attempt to process your transactions as quickly as possible, however, increased security measures may cause a bit of a processing delay. This extra level of security is required to ensure you do not suffer financial losses with your account.

To assist you in guarding against any unauthorized use of your personal information, MoneyGram has made arrangements through Equifax Personal Solutions to provide you with a discount on a monthly subscription to an identity protection service. If you would like to enroll, please follow the instructions on the reverse of this letter within the next sixty (60) days.

For your protection, we recommend that you review your financial accounts, monitor your credit reports, and report any unauthorized activity to your local police department. To obtain more information on how to protect against misuse of personal information, contact the Federal Trade Commission at [www.consumer.gov/idtheft](http://www.consumer.gov/idtheft) or 1-877-438-4338. You may also wish to contact the major credit bureaus yourself: **Equifax:** 1-800-525-6285; [www.equifax.com](http://www.equifax.com), **Experian:** 1-888-EXPERIAN (397-3742); [www.experian.com](http://www.experian.com) and, **TransUnion:** 1-800-680-7289; [www.transunion.com](http://www.transunion.com).

We apologize for any inconvenience in conducting your online money transfers. The safe and secure collection and storage of your personal information is a very high priority at MoneyGram. If you have any questions about your account or your transactions, please contact MoneyGram at 1-866-450-9897.

Sincerely,

Rich Meszaros  
Vice President, Consumer Products - Americas