

Date: April 9, 2021

From: ADP Global Security Organization

Subject: ADP Statement - Unemployment Claim Fraud

*This is an update to the May 22, 2020, November 13, 2020 and January 29, 2021 post regarding the same topic.

ADP continues to receive requests from clients to validate suspect unemployment claims they deem as fraudulent.

At this time, ADP has determined that none of its internal systems have been compromised and no intrusion has occurred. Our ongoing analysis has revealed that the unemployment claim verifications are not associated with ADP and are unrelated to any previous events.

ADP is unable to confirm the validity of these claims. An employer may receive a request to verify an unemployment claim for various reasons, including the below common scenarios:

- An unemployment claim was filed by an employee who used to work for the employer, but was terminated or furloughed
- An unemployment claim was filed by an employee while they continue to work for the employer
- An unemployment claim was filed by someone who stole the employee's identity and the claim was filed for the employee's time working for the employer

If you believe that you, your business or an employee were a victim of unemployment fraud, you should notify your state's <u>Department of Labor</u> immediately and report the incident to the <u>Federal Trade</u> Commission for assistance with the fraudulent claim investigation and help with identity theft recovery.

For more information on how to protect yourself from unemployment fraud and identity theft visit the Federal Bureau of Investigations <u>website</u>.

The ADP Global Security Organization continues to actively monitor this situation. Clients are encouraged to visit our website at www.adp.com/trust to learn more about how ADP protects data, and how clients can help protect themselves. Protecting our clients and their data from malicious activity is a top priority for ADP.

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