



November 30, 2007

Kelly A. Ayotte, Esq.
Attorney General
New Hampshire Department of Justice
33 Capitol Street
Concord, NH 03301
(603) 271-3658

Dear Attorney General Ayotte:

Pursuant to New Hampshire Statutes §359-C:19 - 20 Fidelity Investments on behalf of Yahoo Corporation is reporting an incident involving the brief, inadvertent disclosure by Fidelity of some information relating to Yahoo employees. As described in the enclosed letter to Yahoo employees, Fidelity inadvertently disclosed by e-mail a file containing personal information to two stock plan administrators at another Fidelity Investments client. The e-mail contained names, Social Security numbers, and employee stock plan purchase information. The incident occurred on November 12 and a determination that there had been inadvertent disclosure was made on November 14. The inadvertent recipients have deleted the e-mail and have confirmed that the file has been deleted, and that the information has not been copied, printed, or downloaded. Fidelity Investments has taken steps to further strengthen our controls to help prevent this from recurring.

Based on our investigation into this incident, we have determined that 2 New Hampshire residents are potentially affected. Fidelity Investments is notifying potentially affected Yahoo employees, by e-mail on November 29, and by U.S. mail on November 30. The notice to Yahoo employees is attached.

Regards,

A handwritten signature in cursive script that reads "William G. Duserick".

William G. Duserick
Chief Privacy Officer
Fidelity Investments
william.duserick@fmr.com
(617) 392-1224

Enclosures



Stock Plan Services

[Date]

Name
Address
City, State, Zip

Dear [Name]:

We are writing to notify you of a recent issue that involved some personal information about you maintained by Fidelity Stock Plan Services (Fidelity SPS), the administrative service provider and recordkeeper of Yahoo!'s employee stock purchase plan. As a result of an administrative error, on November 12, 2007 Fidelity SPS e-mailed a file that contained some personal information about you to a stock plan administrator at another company, whose plan is also serviced by Fidelity SPS. That information included your last name, first name, Social Security number, and your Yahoo! employee ID number.

The individual who received the file, briefly viewed it and then sent it to another authorized plan administrator at the same company who never opened the email or viewed the file. The company quickly notified Fidelity SPS of this matter. Both plan administrators promptly deleted the file, and informed Fidelity SPS that they did not copy, print, or retain any of the information in the file. Both plan administrators signed and delivered to Fidelity SPS a statement, confirming the facts described above and promising to maintain the confidentiality of any information that may have been viewed.

At this time, we are not aware of any misuse of this information. Based on our review of the circumstances and the limited nature of the disclosure, we do not believe there is a significant risk of misuse of this information resulting from this disclosure. Please know that Fidelity SPS takes the security of customer information very seriously and has implemented enhanced procedural measures to help prevent this from recurring. In addition, systems enhancements are underway to further strengthen our controls. We value your business and the trust you have placed in Fidelity SPS.

We deeply regret any inconvenience or concern this may have caused. If you have any questions about this matter, please feel free to call a Fidelity Stock Plan Services Representative at 800-544-9354. We are available from Sunday at 5:00 p.m. ET through Friday midnight ET.

Sincerely,

William Duserick
Vice President, Chief Privacy Officer
Fidelity Stock Plan Services

CC: Duplicate letter sent via email under separate cover
480984.1.0

Fidelity Investments and Yahoo Inc. are not affiliated

Fidelity Brokerage Services, LLC Member NYSE/SIPC

REFERENCE GUIDE

While there is no indication in this matter of any misuse of personal information nor do we expect there to be any misuse, it is always prudent to know about identity theft and what you can do to protect yourself.

About Identity Theft

Identity theft, in its simplest form, occurs when someone obtains and misuses your personal information without your permission, and often times without your knowledge of the activity.

Identity Theft Prevention

You may want to consider placing an initial fraud alert on your credit file. A fraud alert tells creditors to contact you before they open any new accounts or change your existing accounts. You may call any one of the three major credit reporting companies to place an alert. The company you call is required to contact the other two, which will place an alert on their versions of your report, too.

An initial fraud alert stays on your credit report for 90 days. When you place this alert on your credit report, you will receive information about ordering one free credit report from each of the credit reporting companies. Once you receive your reports, review them carefully for inquiries from companies you did not contact, accounts you did not open, and debts on your accounts that you cannot explain. Verify the accuracy of your Social Security number, address(es), complete name and employer(s). Notify the credit reporting companies if any information is incorrect.

Equifax: 877-478-7625 www.equifax.com; PO Box 740241, Atlanta GA, 30374-0241
Experian: 888-397-3742 www.experian.com; PO Box 9532, Allen TX 75013
TransUnion: 800-680-7289 www.transunion.com; Fraud Victim Assistance Division, PO Box 6790, Fullerton CA 92834-6790

We recommend that you check your credit reports and review your account statements periodically. This can help you spot problems and address them quickly.

In addition, under federal law you are entitled to a free copy of your credit report, at your request, from each of the major nationwide credit reporting companies once every 12 months. To order your free annual credit report from one or all of the national credit reporting companies, visit www.annualcreditreport.com, call toll-free 877-322-8228, or complete the Annual Credit Report Request Form and mail it to: Annual Credit Report Request Service, PO Box 105281, Atlanta, GA 30348-5281. You can print the form from www.ftc.gov/credit. Please do not contact the three nationwide credit reporting companies individually. If you ask, only the last four digits of your Social Security number will appear on your credit reports.

To learn more about how to protect yourself against identity theft, please visit www.consumer.gov/idtheft or call the Federal Trade Commission hotline phone number: 1-877-IDTHEFT (438-4338). You may call or visit the Federal Trade Commission Web site to report any incident of suspected identity theft.

A: U.S. Employees

Fellow Yahoos,

Fidelity Stock Plan Services ("Fidelity SPS") has notified Yahoo! Inc. of an error Fidelity SPS made in connection with Yahoo!'s November 2007 Employee Stock Purchase Plan information that involved the inadvertent e-mail transmission of Yahoo! data to the plan administrators of another company whose plan is also serviced by Fidelity SPS.

We understand that the data included, among other transactional information, your name and social security number. The recipients at the other company immediately notified Fidelity SPS of the error, destroyed the data, and signed a statement attesting that the information was not forwarded or sent to anyone else before it was deleted. We are working closely with Fidelity SPS to have them address the cause of the error and improve Fidelity SPS's procedures to prevent this from occurring again in the future.

Attached is a letter from Fidelity SPS explaining the situation in more detail and their corrective actions.

Although this was Fidelity SPS's error, we at Yahoo! want to ensure that any questions or concerns you have about this event are being adequately addressed. If Fidelity SPS's representatives have not adequately addressed your concerns, please let us know by e-mailing stockadmin@yahoo-inc.com.

Regards,

Yahoo! Stock Plan Services

B: Foreign Employees

Fellow Yahoos,

Fidelity Stock Plan Services ("Fidelity SPS") has notified Yahoo! Inc. of an error Fidelity SPS made in connection with Yahoo!'s November 2007 Employee Stock Purchase Plan information that involved the inadvertent e-mail transmission of Yahoo! data to the plan administrators of another company whose plan is also serviced by Fidelity SPS.

We understand that the data included, among other transactional information, your name and the Fidelity SPS generated participant ID number. The recipients at the other company immediately notified Fidelity SPS of the error, destroyed the data, and signed a statement attesting that the information was not forwarded or sent to anyone else before it was deleted. We are working closely with Fidelity SPS to have them address the cause of the error and improve Fidelity SPS's procedures to prevent this from occurring again in the future.

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Regards,

Yahoo! Stock Plan Services

07 FEB - 2 11:10 AM '07
STATE OF CALIFORNIA
DEPT OF JUSTICE