



**PERSONAL INFORMATION PROTECTION ACT**  
**Breach Notification Decision**

<b>Organization providing notice under section 34.1 of PIPA</b>	Allegion Canada Inc. (Organization)
<b>Decision number (file number)</b>	P2018-ND-040 (File #000865)
<b>Date notice received by OIPC</b>	May 15, 2015
<b>Date Organization last provided information</b>	May 15, 2015
<b>Date of decision</b>	March 2, 2018
<b>Summary of decision</b>	There is a real risk of significant harm to the individuals affected by this incident. The Organization is required to notify those individuals pursuant to section 37.1 of the <i>Personal Information Protection Act</i> (PIPA).
<b>JURISDICTION</b>	
<b>Section 1(1)(i) of PIPA “organization”</b>	The Organization is incorporated in Alberta and is an “organization” as defined in section 1(1)(i) of PIPA.
<b>Section 1(1)(k) of PIPA “personal information”</b>	<p>The incident involved the following information:</p> <ul style="list-style-type: none"><li>• name,</li><li>• address,</li><li>• Social Insurance Number (SIN), and</li><li>• financial information.</li></ul> <p>This information is about identifiable individuals and is “personal information” as defined in section 1(1)(k) of PIPA. The information was collected in Alberta.</p>
<b>DESCRIPTION OF INCIDENT</b>	
<input type="checkbox"/> loss <input type="checkbox"/> unauthorized access <input checked="" type="checkbox"/> unauthorized disclosure	
<b>Description of incident</b>	<ul style="list-style-type: none"><li>• The Organization uses a third party service provider for payroll administration purposes.</li><li>• On February 27, 2015 the service provider mailed T4 slips to 157 employees of the Organization in Canada.</li><li>• On March 2, 2015, two employees contacted the Organization after receiving T4 slips that did not belong to them.</li></ul>

	<ul style="list-style-type: none"> <li>• The Organization learned that a computer system error at its service provider caused some of the T4 slips to be mailed to wrong employees.</li> <li>• On March 2, 2015, the Organization emailed active employees with directions for returning the envelopes. At the time of reporting this incident, twenty-six (26) T4 slips had not been returned to the Organization, and twenty-eight (28) of those that were returned appeared to have been opened.</li> </ul>
<b>Affected individuals</b>	Of the 157 employees potentially affected, seven (7) are residents of Alberta.
<b>Steps taken to reduce risk of harm to individuals</b>	<ul style="list-style-type: none"> <li>• Notified corporate payroll department and legal counsel.</li> <li>• Provided a free one year credit monitoring and identity theft protection to its active and former employees.</li> <li>• Followed up with its service provider on the matter.</li> </ul>
<b>Steps taken to notify individuals of the incident</b>	Active employees were notified via letter on April 10, 2015. Former employees were notified via telephone, email and letter between March 6, 2015 and March 8, 2015.
<b>REAL RISK OF SIGNIFICANT HARM ANALYSIS</b>	
<p><b>Harm</b> Some damage or detriment or injury that could be caused to affected individuals as a result of the incident. The harm must also be “significant.” It must be important, meaningful, and with non-trivial consequences or effects.</p>	<p>The Organization reported that it is “concerned that the employees are at risk of identity theft, humiliation, and/or other adverse consequences.”</p> <p>I agree with the Organization. The identity and financial information at issue could be used to cause the significant harms of identity theft and fraud, as well as hurt, humiliation and embarrassment.</p>
<p><b>Real Risk</b> The likelihood that the significant harm will result must be more than mere speculation or conjecture. There must be a cause and effect relationship between the incident and the possible harm.</p>	<p>The Organization did not specifically assess the likelihood of harm resulting from this incident.</p> <p>In my view, there is a real risk of significant harm resulting from this incident, despite the fact the incident did not result from malicious intent, but rather a computer system error. The Organization did not recover all the T4 slips as requested, and did not report confirming that all unintended recipients securely destroyed the information, and did not use or forward it. There are potentially personal/professional relationships between the affected individuals and the unintended recipients.</p>

**DECISION UNDER SECTION 37.1(1) OF PIPA**

Based on the information provided by the Organization and given the circumstances of the incident, I have decided that there is a real risk of significant harm to the affected individuals, despite the fact the incident did not result from malicious intent, but rather a computer system error.

The identity and financial information at issue could be used to cause the significant harms of identity theft and fraud, as well as hurt, humiliation and embarrassment. The Organization did not recover all the T4 slips as requested, and did not report confirming that all unintended recipients securely destroyed the information, and did not use or forward it. There are potentially personal/professional relationships between the affected individuals and the unintended recipients.

The Organization is required to notify the affected individuals in Alberta in accordance with section 19.1 of the *Personal Information Protection Act Regulation* (Regulation).

I understand active employees were notified of the incident via letter sent April 10, 2015. Former employees were notified via telephone, email and letter between March 6, 2015 and March 8, 2015. The Organization is not required to notify the affected individuals again.

Jill Clayton  
Information and Privacy Commissioner