## LABEL MASTER®

October 17, 2012

Attorney General Michael A. Delaney Office of the Attorney General Attn: Security Breach Notification 33 Capitol Street Concord, NH 03301

#### Re: Labelmark Company, d/b/a Labelmaster – Notice of Data Security Event

Dear Attorney General Delaney:

We are writing to notify you of a data security event that compromised the security of personal information. American Labelmark Company d/b/a Labelmaster ("Labelmaster"), 5724 N. Pulaski Road, Chicago, IL, 60646, is informing your office of pertinent facts that are known at this time related to an illegal intrusion into its e-commerce site. This illegal intrusion resulted in the unauthorized access by unknown individual(s) to the name, address, and credit card information of those Labelmaster customers that made online purchases at <u>www.labelmaster.com</u> between May 18, 2012 and August 2, 2012. Upon discovery of the unauthorized access, Labelmaster immediately took steps to end the intrusion, and also retained forensic investigators TrustWave and breach notification legal counsel Nelson, Levine, de Luca & Hamilton, LLC to assist with its investigation of, and response to, this incident. The investigation is ongoing, and this notice will be supplemented with any new significant facts learned subsequent to its submission. By providing this notice, Labelmaster does not waive any rights or defenses regarding the applicability of New Hampshire law or personal jurisdiction.

#### Nature of the Data Security Event

On September 12, 2012, TrustWave provided confirmation to Labelmaster that an unknown individual had gained access to its computer network and accessed temporary records containing the names, as well as credit card numbers and expiration dates, of certain Labelmaster customers that purchased merchandise on Labelmaster's e-commerce website between May 18, 2012 and August 2, 2012. Although Labelmaster does not retain any of its customers' credit card information, our ongoing investigation into the incident indicates that this information was unlawfully obtained by the anonymous individual(s) during the time the information is captured by Labelmaster and temporarily stored solely for purposes of processing customer transactions. Labelmaster does not request credit card CVV codes when processing a transaction; therefore, this information was not exposed during this intrusion.

5724 North Pulaski Road Chicago, IL 60646-6797 773-478-0900 Fax: 773-478-6054 Attorney General Michael A. Delaney October 17, 2012 Page 2

Upon confirmation of the unlawful intrusion, Labelmaster took steps to further secure its customers' personal information, notified its merchant bank of the incident, and undertook identification of affected individuals in order to notify these customers of the event.

#### Notice to New Hampshire Residents

Although the investigation is ongoing, it appears that four (4) New Hampshire residents' and one (1) New Hampshire corporations' personal information was accessed without authorization. These New Hampshire residents will receive the written notice of the data security event on or about October 19, 2012 in substantially the same form as the sample notice attached to this letter as Exhibit A.

#### Other Steps Taken and To Be Taken

As discussed above, Labelmaster retained forensic computer experts and legal counsel specializing in data breach response. Labelmaster is offering affected individuals with one year of free credit monitoring services. Labelmaster is providing notice to its merchant bank, as well as Visa, MasterCard, Discover and American Express. Labelmaster is also providing notice of this data security event to other state regulators and the three national credit reporting bureaus.

#### **Contact Information**

Should you have any questions regarding this notification or other aspects of the data security event, please contact our data privacy counsel, James E. Prendergast or Jennifer A. Coughlin, of the law firm of Nelson, Levine, de Luca & Hamilton, at 215-358-5087.

Sincerely,

Dwight Curtis American Landmark Company

### **EXHIBIT A**

## LABELMASTER®

[Date]

[Name] [Address] [City, State Zip]

Dear [Name]:

On September 12, 2012, American Labelmark, d/b/a Labelmaster ("Labelmaster") learned that an unknown individual gained access to its computer network and accessed the names, credit card numbers and expiration dates of certain Labelmaster customers that purchased merchandise on Labelmaster's e-commerce website between May 18, 2012 and August 2, 2012. Although Labelmaster does not store any of its customers' credit card information after processing transactions, our ongoing investigation indicates that this information was unlawfully obtained by unknown individual(s) during the credit card transaction process. Please note that Labelmaster does not request credit card CVV codes (3- or 4-digit code on the back of the credit card) when processing a transaction and that, therefore, this information was not exposed during this intrusion.

Our ongoing investigation indicates that your name and credit card information was accessed during this event. While we are unaware of any attempted or actual fraudulent use of your personal information, we are nevertheless providing this notice to you to ensure that you are aware of the incident and so that you may take steps to monitor your credit and financial accounts and protect your identity should you feel it is necessary to do so.

Labelmaster takes this incident, as well as the safety and security of your personal information, very seriously. Upon determining an illegal intrusion occurred, Labelmaster took steps to end the unauthorized access and further secure our customers' personal information. Labelmaster retained privacy and data security legal counsel to assist with the ongoing investigation, and have initiated internal and third-party forensic investigations to ensure appropriate action is taken to protect your information. Labelmaster has also notified the major credit card brands of this incident.

Although we are not aware of improper use of your information, we retained Experian to provide—at no cost to you—with its ProtectMyID<sup>TM</sup> credit monitoring and identity recovery services. Should an identity compromise or fraud occur as a result of this incident, you will have access to experts trained in assessing suspicious credit activity, stopping fraudulent activity, and restoring identity and credit to pre-theft or pre-fraud status. You will also be provided with daily monitoring of your credit report for key changes that could be due to fraudulent activity and receive alerts of these key changes. As a ProtectMyID<sup>TM</sup> member, you are also immediately covered by a \$1 Million identity theft insurance policy that can help you cover costs including lost wages, private investigator fees, and unauthorized electronic fund transfers.

This complimentary membership to Experian's ProtectMyID<sup>TM</sup> Alerts being provided to you for a period of one (1) year.

5724 North Pulaski Road Chicago, IL 60646-6797 773-478-0900 Fax: 773-478-6054 To active ProtectMyID<sup>TM</sup>, follow these three steps:

- 1. **ENSURE** that you enroll by January 31, 2013,
- 2. **VISIT** the ProtectMyID<sup>TM</sup> website, <u>www.protectmyid.com/redeem or call 877-371-7902</u> to enroll, and
- 3. **PROVIDE** your activation code, XXXXXXX.

To further protect against possible identity theft or other financial loss and in addition to activating your Experian membership, we encourage you to remain vigilant, to review your account statements, and to monitor your credit reports for suspicious activity. Under U.S. law, you are entitled to one free credit report annually from each of the three major credit bureaus. To order your free credit report, visit <u>www.annualcreditreport.com</u> or call, toll-free, 1-877-322-8228. You may also contact the three major credit bureaus directly.

At no charge, you can also have these credit bureaus place a "fraud alert" on your file that alerts creditors to take additional steps to verify your identity prior to granting credit in your name. Note, however, that because it tells creditors to follow certain procedures to protect you, it may also delay your ability to obtain credit while the agency verifies your identity. As soon as one credit bureau confirms your fraud alert, the others are notified to place fraud alerts on your file. Should you wish to place a fraud alert, or should you have any questions regarding your credit report, please contact any one of the agencies listed below.

Equifax	Experian	TransUnion
P.O. Box 740241	P.O. Box 2104	P.O. Box 2000
Atlanta, GA 30348	Allen, TX 75013	Chester, PA 19022
800-685-1111	888-397-3742	800-888-4213
www.equifax.com	www.experian.com	www.transunion.com

You can also further educate yourself regarding identity theft, and steps you can take to protect yourself, by contacting the Federal Trade Commission. It can be reached at:

Federal Trade Commission 600 Pennsylvania Avenue, NW Washington, DC 20580 www.ftc.gov/bcp/edu/microsites/idtheft/ 1-877-ID-THEFT (1-877-438-4338); TTY: 1-866-653-4261

The Federal Trade Commission also encourages those who discover that their information has been misused to file a complaint with them. You can also obtain further information on how to file such a complaint by way of the contact information listed above. Instances of known or suspected identity theft should also be reported to law enforcement.

Your state Attorney General may also have advice on preventing identity theft. For North Carolina residents, the Attorney General can be contacted at 9001 Mail Service Center, Raleigh, NC 27699-9001,

(919) 716-6400, <u>www.ncdoj.gov</u>. For Maryland residents, the Attorney General can be contacted at 200 St. Paul Place, 16<sup>th</sup> Floor, Baltimore, MD 21202, (888) 743-0023, <u>www.oag.state.md.us</u>.

We sincerely regret the inconvenience and concern that this matter may have caused you, and we wish to assure you that we continue to take thorough steps to confirm the security of our systems. Should you have any questions or require assistance with any of the protective measures detailed above, please do not hesitate to contact Kay Martin, Credit Representative at Labelmaster, at (877) 800-3890.

Sincerely,

**Dwight Curtis** 

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American Labelmark, Inc.

# LABEL MASTER®

October 17, 2012

[Name] [Address] [City, State Zip]

Dear [Name]:

We are writing to notify you of a breach of security that affects you.

On September 12, 2012, American Labelmark, d/b/a Labelmaster ("Labelmaster") learned that an unknown individual had gained access to its computer network and accessed the names, credit card numbers and expiration dates of certain Labelmaster customers that purchased merchandise on Labelmaster's e-commerce website between May 18, 2012 and August 2, 2012. Although Labelmaster does not store any of its customers' credit card information after processing transactions, our ongoing investigation indicates that this information was unlawfully obtained by unknown individual(s) during the credit card transaction process. Please note that Labelmaster does not request credit card CVV codes (the 3- or 4-digit code on the back of the credit card) when processing a transaction and that, therefore, this information was not exposed during this intrusion.

Our ongoing investigation indicates that your name and credit card information was accessed during this event. While we are unaware of any attempted or actual fraudulent use of your information, we are nevertheless providing this notice to you to ensure that you are aware of the incident and so that you may take steps to monitor your credit and financial accounts and protect your identity should you feel it is necessary to do so.

Labelmaster takes this incident, as well as the safety and security of your information, very seriously. Upon determining an illegal intrusion occurred, Labelmaster took steps to end the unauthorized access and further secure our customers' personal information. Labelmaster retained privacy and data security legal counsel to assist with the ongoing investigation, and have initiated internal and third-party forensic investigations to ensure appropriate action is taken to protect your information. Labelmaster has also notified the major credit card brands of this incident.

We are not aware of any improper use of your information. However, to further protect against possible fraud, theft or other financial loss, we encourage you to remain vigilant, to review your account statements, and to monitor credit reports for suspicious activity. Under U.S. law, you are entitled to one free credit report annually from each of the three major credit bureaus. To order your free credit report, visit <u>www.annualcreditreport.com</u> or call, toll-free, 1-877-322-8228. You may also contact the three major credit bureaus directly.

At no charge, you can also have these credit bureaus place a "fraud alert" on your file that alerts creditors to take additional steps to verify your identity prior to granting credit in your name. Note, however, that because it tells creditors to follow certain procedures to protect you, it may also delay your ability to obtain credit while the agency verifies your identity. As soon as one credit bureau confirms your fraud

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alert, the others are notified to place fraud alerts on your file. Should you wish to place a fraud alert, or should you have any questions regarding your credit report, please contact any one of the agencies listed below.

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Sincerely,

**Dwight Curtis** 

American Labelmark, Inc.