

STATE OF NH
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Katten

KattenMuchinRosenman LLP

575 Madison Avenue
New York, NY 10022-2585
212.940.8800 tel
www.kattenlaw.com

DORON S. GOLDSTEIN
doron.goldstein@kattenlaw.com
212.940.8840 direct
212.940.8776 fax

August 11, 2016

Via Certified Mail

Attorney General Joseph Foster
Office of the Attorney General
33 Capitol Street
Concord, NH 03301

Re: Data Breach Notification Pursuant to N.H. Rev. Stat. Ann. § 359-C:20(b)

To Whom It May Concern:

We write on behalf of our client, PAX Labs, Inc. ("PAX"), to inform the New Hampshire Office of the Attorney General of a security incident involving personal information of New Hampshire residents, pursuant to N.H. Rev. Stat. Ann. § 359-C:20(b).

On July 15, 2016, PAX discovered that an unauthorized party had gained access to one of its cloud-based website servers on June 25, 2016, and installed unauthorized software. PAX removed this software on July 15, 2016. Subsequently, an unauthorized party added similar software on July 22, 2016, which PAX removed that same day.

PAX's investigation revealed that the unauthorized party or parties accessed personal payment card information of approximately 24 New Hampshire residents who had made purchases from PAX websites between June 25, 2016 and July 15, 2016, and on July 22, 2016.

Based on the facts that PAX currently knows, the unauthorized software targeted the following electronic payment card data: cardholder name, billing and shipping address, credit or debit card number, expiration date, and security (CVV) code. No payment card PIN numbers or other forms of personal information were accessed.

In response to this incident, PAX: (1) engaged a computer forensics and cybersecurity team to investigate the breach and restore the integrity of its system; (2) notified affected payment card processors; and (3) informed federal law enforcement authorities. PAX has already implemented additional security measures, including more aggressive firewall rules and detailed system monitoring tools.

PAX has engaged AllClear ID, Inc. to provide 12 months of free credit monitoring, identity theft investigation and repair, and \$1M of identity theft insurance coverage to affected New Hampshire residents.

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NEW YORK ORANGE COUNTY SAN FRANCISCO BAY AREA SHANGHAI WASHINGTON, DC
LONDON: KATTEN MUCHIN ROSENMAN UK LLP

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PAX anticipates mailing written notice to affected New Hampshire residents on or about August 12, 2016.

If you have any questions, you may contact me at (212) 940-8840 or by email at doron.goldstein@kattenlaw.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "Doron Goldstein". The signature is stylized with a large, looped "D" and a cursive "Goldstein".

Doron S. Goldstein