

Morgan, Lewis & Bockius LLP
1701 Market Street
Philadelphia, PA 19103-2921
Tel: 215.963.5000
Fax: 215.963.5001
www.morganlewis.com

Morgan Lewis
C O U N S E L O R S A T L A W

Gregory T. Parks
Partner
215.963.5170
gparks@morganlewis.com

VIA FIRST CLASS MAIL

April 26, 2012

Department of Justice
Consumer Protection Bureau
33 Capital Street
Concord, NH 03301

RE: Notice of Potential Data Breach Pursuant to NH Rev. Stat. § 359-C:20

To Whom It May Concern:

I understand that you and your department are designated to receive notification under NH Rev. Stat. 359-C:20 of the event of a potential compromise of personal identifying information. This Firm represents Claire's Stores in connection with a situation involving a missing CD-ROM disk with IRS W-2 information for a number of Claire's employees. Although notification may not actually be required under the circumstances, Claire's notified individuals whose personal information was contained on the CD-ROM because they believe it is the right thing to do. Out of an abundance of caution, we are therefore providing this report to you.

Claire's recently discovered that a CD-ROM disk with IRS W-2 information for a number of Claire's employees is missing. It is normally in an area where only Claire's employees within the Human Resources department have access to it. Claire's has no evidence that the disk has been stolen, has fallen into the wrong hands, or that the information on the disk has been accessed or used in any inappropriate way. Nor is Claire's aware of any inappropriate use of that information. The W-2 information likely included Claire's employees' social security number and 2011 salary information.

Immediately upon learning that the disk was reported missing, Claire's undertook an investigation. It interviewed all individuals who had used the disk for its intended reporting purposes. Claire's also interviewed all other individuals who work in the area where the disk is normally kept. This investigation did not suggest to Claire's that anyone had purposefully taken the disk. Nor did it appear that any information on the disk is being misused. Nonetheless, Claire's is taking steps to prevent an incident of this sort in the future. Although Claire's has no

Department of Justice
Consumer Protection Bureau
April 26, 2012
Page 2

indication that the information contained within the missing CD-ROM has been misappropriated for the purpose of accessing or using personal information, Claire's sent notification letters out to all employees whose personal information they believe was contained in the missing CD-ROM.

Further information about what Claire's has done and what we are recommending to the customers in question can be found in the enclosed notification letter that Claire's sent to 150 New Hampshire residents.

If you have any questions, please feel free to contact me.

Respectfully,

Gregory T. Parks /REM

Gregory T. Parks

Enclosures

April 5, 2012

RE: Important Notice About Your W-2 Information

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Dear ,

The security of the confidential information our employees entrust to us is very important to us and we strive to handle it with care and discretion at all times. We are writing to let you know about an incident that has occurred at our corporate headquarters that we believe we should share with you. A CD-ROM disk with IRS W-2 information for a number of Claire's employees has been reported missing. It is not in the place where it is ordinarily kept. It is normally in an area where only Claire's employees within our Human Resources department have access to it. We have no evidence that the disk has been stolen, has fallen into the wrong hands, or that the information on the disk has been accessed or used in any inappropriate way. Nor are we aware of any inappropriate use of that information. The W-2 information likely included your social security number and 2011 salary information.

We are writing to share with you the steps we have taken to address this situation and additional precautions you can take to safeguard your personal information and financial security.

Immediately upon learning that the disk was reported missing, we undertook an investigation. We interviewed all individuals who had used the disk for its intended reporting purposes. We also interviewed all other individuals who work in the area where the disk is normally kept. This investigation did not suggest to us that anyone had purposefully taken the disk. Nor did it appear that any information on the disk is being misused. Nonetheless, we are taking steps to prevent an incident of this sort in the future.

Because the privacy and security of our employees and their personal information is extremely important to us, we are offering enrollment in LifeLock identity theft protection at no cost to you. LifeLock membership includes identity monitoring for exposure of your personal information, alerts of potential threats—both credit and noncredit related and even comprehensive recovery assistance if you become a victim of identity theft due to a failure in LifeLock services. It's relentless identity theft protection. Please find the second page of this communication with information about how to enroll.

In addition, there are several other precautions you may want to consider.

A Fraud Alert can be placed on your credit file for 90 days at no cost to you. This alert provides added protection because it recommends that creditors contact you before opening new accounts. To place a Fraud Alert or to obtain a free copy of your credit report, please contact:

- Experian: 1-888-397-3742 or www.experian.com
- Equifax: 1-800-525-6285 or www.equifax.com
- TransUnion: 1-800-680-7289 or www.transunion.com

claire's stores

You can also receive additional information and guidance about preventing identity theft from the following resources:

- Federal Trade Commission (FTC): 1-877-IDTHEFT www.ftc.gov/idtheft
- Social Security Administration's Fraud Hotline: 1-800-269-0271

We also suggest that you regularly review your credit report and look for accounts you did not open or inquiries from creditors you did not initiate. Also look for personal information, such as home address and Social Security number that is not accurate. If you suspect inappropriate activity, we suggest you contact the FTC at the number listed above as well as local law enforcement.

We have also enclosed an Identity Theft Resource Guide that provides additional information about protecting yourself against identity theft.

We want to hear from you with any questions or concerns about this issue. Please don't hesitate to call us at 800-Clares (800-252-4737) if you would like more information.

April 5th, 2012

Dear _____,

At Claire's Stores, Inc., we take pride in creating a safe environment for all of our employees. Included with this letter is notification that a CD with information about you has gone missing from its normal place. We have no reason to believe that any information has been or will be used in an inappropriate way. But, out of an abundance of caution, we notified you of the event. We also want to give you the opportunity to take certain steps to help protect yourself from potential inappropriate use of your personal information. As a benefit, Claire's Stores, Inc. has retained LifeLock® to provide one (1) year of complimentary identity theft protection.

To begin protecting yourself immediately at no cost to you:

1. Call 1-877-509-5357 or visit www.lifelock.com to enroll.
2. Use the promotion code: **CLAIRES** when prompted as well as your Member ID.
3. Your Member ID is your social security numbers written backward.
For example, if your social security number is 123456789 then your Member ID is 987654321.

LifeLock's specialized team of telephone representatives are available 24 hours a day, seven days a week to answer any questions you may have regarding the recent data breach.

Members under the age of 18 must have LifeLock service administered by a parent or legal guardian.

You will have until May 15th, 2012 to enroll in this service.

Once you have completed the LifeLock enrollment process, the services will be in effect immediately. Your LifeLock membership includes:

- + Identity Threat Detection and Alerts – Alerts you whenever LifeLock detects your personal information in fraudulent applications – both credit and noncredit related.
- + Advance Internet Threat Detection - Patrols black market Internet sites for the illegal selling or trading of your information.
- + Address Change Verification – Warns you when a detected change of address is requested in your name, helping reduce your chances of mail theft.
- + Lost Wallet Protection – LifeLock will help you quickly cancel and replace lost or stolen credit cards to help stop fraudulent charges.

LifeLock backs up its services with its \$1 Million Total Service Guarantee. (Guarantee applies only if you become a victim of identity theft because of a failure in LifeLock® service. Other restrictions apply. See www.lifelock.com for details.)

Please rest assured that the safety and well-being of our employees is our highest priority. We apologize for any inconvenience this incident may cause you, and thank you for your understanding and cooperation.

We want to hear from you with any questions or concerns about this issue. Please don't hesitate to call us at 800-Clares (800-252-4737) if you would like more information.

Reference Guide

In the event that you ever suspect that you are a victim of identity theft, we encourage you to consider taking the following steps:

Contact the Federal Trade Commission. You can contact the Federal Trade Commission's Consumer Response Center at 600 Pennsylvania Avenue, NW, Washington, DC, 20580 or at <http://www.ftc.gov/bcp/menus/business/data.shtml>, to obtain more information about steps you can take to avoid identity theft.

Order Your Free Credit Report. To order your free credit report, visit www.annualcreditreport.com, call toll-free at 877-322-8228, or complete the Annual Credit Report Request Form on the U.S. Federal Trade Commission's website at www.ftc.gov and mail it to Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348-5281. Do not contact the three credit bureaus individually; they provide your free report only through the website or toll-free number.

When you receive your credit report, review the entire report carefully. Look for any inaccuracies and/or accounts you don't recognize, and notify the credit bureaus as soon as possible in the event there are any.

Place a Fraud Alert on Your Credit File: To protect yourself from possible identity theft, consider placing a fraud alert on your credit file. A fraud alert helps protect you against the possibility of an identity thief opening new credit accounts in your name. When a merchant checks the credit history of someone applying for credit, the merchant gets a notice that the applicant may be a victim of identity theft. The alert notifies the merchant to take steps to verify the identity of the applicant. You can report potential identity theft to all three of the major credit bureaus by calling any one of the toll-free fraud numbers below. You will reach an automated telephone system that allows you to flag your file with a fraud alert at all three bureaus.

Equifax	P.O. Box 740241 Atlanta, Georgia 30374-0241	877-478-7625	www.equifax.com
Experian	P.O. Box 9532 Allen, Texas 75013	888-397-3742	www.experian.com
TransUnion	Fraud Victim Assistance Division P.O. Box 6790 Fullerton, California 92834-6790	800-680-7289	www.transunion.com

Place a Security Freeze on Your Credit File. You may wish to place a "security freeze" on your credit file. A security freeze generally will prevent creditors from accessing your credit file at the three nationwide credit bureaus without your consent. You can request a security freeze by contacting the credit bureaus at:

Equifax	P.O. Box 105788 Atlanta, Georgia 30348	www.equifax.com
Experian	P.O. Box 9554 Allen, Texas 75013	www.experian.com
TransUnion	Fraud Victim Assistance Division P.O. Box 6790 Fullerton, California 92834-6790	www.transunion.com

The credit bureaus may charge a reasonable fee to place a freeze on your account, and may require that you provide proper identification prior to honoring your request. In order to request a security freeze, you will need to provide the following information:

1. Your full name (including middle initial as well as Jr., Sr., II, III, etc.)

2. Social Security number
3. Date of birth
4. If you have moved in the past five (5) years, provide the addresses where you have lived over the prior five years.
5. Proof of current address, such as a current utility bill or telephone bill
6. A legible photocopy of a government issued identification card (state driver's license or ID card, military identification, etc.)
7. If you are a victim of identity theft, include a copy of either the police report, investigative report, or complaint to law enforcement agency concerning identity theft
8. If you are not a victim of identity theft, include payment by check, money order, or credit card (Visa, MasterCard, American Express or Discover only). Do not send cash through the mail.

Placing a security freeze on your credit file may delay, interfere with, or prevent timely approval of any requests you make for credit, loans, employment, housing or other services. For more information regarding credit freezes, please contact the credit reporting agencies directly.

Contact the U.S. Federal Trade Commission. If you detect any incident of identity theft or fraud, promptly report the incident to your local law enforcement authorities, your state Attorney General and the Federal Trade Commission ("FTC"). If you believe your identity has been stolen, the FTC recommends that you take these additional steps.

- Close the accounts that you have confirmed or believe have been tampered with or opened fraudulently. Use the FTC's ID Theft Affidavit (available at www.ftc.gov/idtheft) when you dispute new unauthorized accounts.
- File a local police report. Obtain a copy of the police report and submit it to your creditors and any others that may require proof of the identity theft crime.

You can learn more about how to protect yourself from becoming an identity theft victim of by contacting the FTC:

Federal Trade Commission
Consumer Response Center
600 Pennsylvania Avenue, NW
Washington, DC 20580
1-877-IDTHEFT (438-4338)

For Maryland Residents: You can obtain information from the Maryland Office of the Attorney General about steps you can take to help prevent identity theft. You can contact the Maryland Attorney General at:

Maryland Office of the Attorney General
Consumer Protection Division
200 St. Paul Place
Baltimore, MD 21202
888-743-0023, www.oag.state.md.us

For Massachusetts Residents: You have a right to request from us a copy of any police report filed in connection with this incident. If you are the victim of identity theft, you also have the right to file a police report and obtain a copy of it. If you have been a victim of identity theft, and you provide the credit reporting agency with a valid police report, it cannot charge you to place, lift, or remove a security freeze. In all other cases, a credit reporting agency may charge you up to \$5 each to place, temporarily lift, or permanently remove a security freeze.

For North Carolina Residents: You can obtain information from the North Carolina Office of the Attorney General about steps you can take to help prevent identity theft. You can contact Attorney General Roy Cooper's Consumer Hotline toll-free within North Carolina at 1-877-5-NO-SCAM or (919) 716-6000.