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CONSUMER PROTECTION

HOURGLASS

1241 ELECTRIC AVE VENICE CALIFORNIA 90291
T 310 392 7799 • F 310 392 7790

February 14, 2019

To: U.S. State Attorney General and Consumer Protection Office Distribution List

Re: Notice of Data Breach

Dear Sir or Ma'am:

Hourglass is a luxury beauty brand, headquartered in Venice, California, known for its innovation and its cruelty-free products. At Hourglass, we understand the importance of privacy and security, including prompt response to security incidents. I am writing to inform you of a recent matter where certain personal information provided to Hourglass in connection with purchases on our online site may have been subject to unauthorized access by an unauthorized third party. This incident may have affected the personal information of individuals who are residents of your state (see Exhibit A).

After learning of a potential issue with our e-commerce website, we began an investigation and subsequently learned that, from approximately July 3, 2018 to January 30, 2019, unauthorized third-parties had the ability to access information of customers who had made a purchase on our website. Information collected as part of our online checkout process may have been impacted, including name, address, email, credit card number, CCV, expiration date, phone number, and product purchase details.

Hourglass Cosmetics has taken steps with the advice and guidance of its external experts to secure its ecommerce website, including by taking steps to remove the code that facilitated the unauthorized scraping of data during the check-out process. In addition, Hourglass Cosmetics has undertaken a review of patching and multiple security scans. Hourglass Cosmetics is also in the process of transitioning the Site to a new platform. In addition, Hourglass has reported this matter to U.S. law enforcement and its payment processor.

Attached for your references is a copy of the written notice being used to advise potentially affected customers of this incident.

Should you have any questions or concerns, please contact me at 310-900-0833.

Sincerely,



Robert Sorensen
General Counsel

Exhibit A

Approximate number of potentially affected residents in New Hampshire: 44

HOURLASS

<<Date>> (Format: Month Day, Year)

<<FirstName>> <<MiddleName>> <<LastName>> <<NameSuffix>>
<<Address1>>
<<Address2>>
<<City>>, <<State>> <<Zip>>

NOTICE OF DATA BREACH

Membership Number: <<Member ID>>

Dear <<FirstName>> <<LastName>>,

Hourglass is contacting you to inform you that certain personal information you provided to us in connection with a recent purchase on our online site may have been subject to unauthorized access. We wanted to provide you with information about what happened, how we have responded, and how we can further help.

What Happened?

After learning of a potential issue with our e-commerce website, we began an investigation and subsequently learned that, from approximately July 3, 2018 to January 30, 2019, unauthorized third parties had the ability to access certain information relating to purchases made on our website. You are receiving this letter because our records indicate that you placed an order via the Hourglass website that may have been affected.

What Information Was Involved?

The types of data potentially impacted include name, address, email, credit card number, CCV, expiration date, phone number, and product purchase details. This information is collected as part of our online checkout process, but we do not store credit card information for our customers.

What We Are Doing.

Hourglass understands the importance of security and privacy to our customers. Upon learning of the security issue, we initiated an investigation and engaged outside cybersecurity experts to assist us in securing our website from further unauthorized activity. We are also reviewing our security measures to identify further ways to improve our security and protect your information. Hourglass has reported this matter to law enforcement and offered its full cooperation. Our payment processor has been notified. Please see below for information on steps you can take to protect yourself.

What You Can Do.

We encourage you to consider taking the following precautions:

- We urge you to remain vigilant against threats of identity theft or fraud and to regularly review and monitor your account statements and credit history for any signs of unauthorized transactions or activity. Report any unauthorized activity on your credit or banking accounts to your credit or banking providers immediately
- If you suspect you are the victim of identity theft or fraud, you have the right to file a report with the police or law enforcement. In addition, you may contact the FTC or your state attorney general to learn more about the steps you can take to protect yourself against identity theft. Attachment A following this letter has more information about steps you can take to protect yourself against identity theft or fraud.

- Be alert for “phishing” emails from someone who acts like they know you and requests sensitive information over email, such as passwords, Social Security numbers, or bank account information.

For More Information.

If you would like more information, please call 1-877-617-6603, Monday through Friday from 8:00 a.m. to 5:30 p.m. Central Time.

Sincerely,

A handwritten signature in black ink, appearing to read 'Candice Chan', with a long horizontal flourish extending to the right.

Candice Chan
Director of E-Commerce

ATTACHMENT A

ADDITIONAL INFORMATION TO PROTECT YOURSELF

To protect against possible fraud, identity theft or other financial loss, we encourage you to remain vigilant, to review your account statements and to monitor your credit reports. Provided below are the names and contact information for the three major U.S. credit bureaus and additional information about steps you can take to obtain a free credit report and place a fraud alert or security freeze on your credit report. If you believe you are a victim of fraud or identity theft, you should consider contacting your local law enforcement agency, your state's attorney general, or the Federal Trade Commission.

INFORMATION ON OBTAINING A FREE CREDIT REPORT

U.S. residents are entitled under U.S. law to one free credit report annually from each of the three major credit bureaus. To order your free credit reports, visit www.annualcreditreport.com or call toll-free (877) 726-1014.

INFORMATION ON IMPLEMENTING A FRAUD ALERT OR SECURITY FREEZE

Consider contacting the three major credit bureaus at the addresses below to place a fraud alert on your credit report. A fraud alert indicates to anyone requesting your credit file that you suspect you are a possible victim of fraud. A fraud alert does not affect your ability to get a loan or credit. Instead, it alerts a business that your personal information might have been compromised and requires that business to verify your identity before issuing you credit. Although this may cause some short delay if you are the one applying for the credit, it might protect against someone else obtaining credit in your name.

A security freeze prohibits a credit reporting agency from releasing any information from a consumer's credit report without written authorization. Under federal law, credit reporting agencies must place, lift, or remove a security freeze free of charge. However, please be aware that placing a security freeze on your credit report may delay, interfere with, or prevent the timely approval of any requests you make for new loans, credit, mortgages, employment, housing or other services.

To place a fraud alert or security freeze on your credit report, you must contact the three credit bureaus below:

Equifax:
Consumer Fraud Division
P.O. Box 740256
Atlanta, GA 30374
(888) 766-0008
www.equifax.com

Experian:
Credit Fraud Center
P.O. Box 9554
Allen, TX 75013
(888) 397-3742
www.experian.com

TransUnion:
TransUnion LLC
P.O. Box 2000
Chester, PA 19022-2000
(800) 680-7289
www.transunion.com

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, the addresses where you have lived over those prior five years;
5. Proof of current address, such as a current utility bill or telephone bill; and
6. A legible photocopy of a government-issued identification card (state driver's license or ID card, military identification, etc.).

You may also contact the U.S. Federal Trade Commission ("FTC") for further information on fraud alerts, security freezes, and how to protect yourself from identity theft. The FTC can be contacted at 400 7th St. SW, Washington, D.C. 20024; telephone (877) 382-4357; or www.consumer.gov/idtheft.

ADDITIONAL RESOURCES

Your state attorney general may also have advice on preventing identity theft, and you should report instances of known or suspected identity theft to law enforcement, your state attorney general, or the FTC.

Connecticut Residents: The Attorney General can be contacted at Connecticut Attorney General's Office, 55 Elm Street, Hartford, CT 06106; (860) 808-5318; or <https://portal.ct.gov/ag>.

Maryland Residents: The Attorney General can be contacted at Office of Attorney General, 200 St. Paul Place, Baltimore, MD 21202; (888) 743-0023; or www.oag.state.md.us.

New Mexico Residents: You have rights under the federal Fair Credit Reporting Act (FCRA), which governs the collection and use of information pertaining to you by consumer reporting agencies. For more information about your rights under the FCRA, please visit www.consumer.ftc.gov/articles/pdf-0096-fair-credit-reporting-act.pdf or www.ftc.gov.

North Carolina Residents: The Attorney General can be contacted at 9001 Mail Service Center, Raleigh, NC 27699-9001; (919) 716-6400; or www.ncdoj.gov.

Rhode Island Residents: The Attorney General can be contacted at 150 South Main Street, Providence, RI 02903; (401) 274-4400; or www.riag.ri.gov. You have the right to file a police report by contacting local or state law enforcement agencies. You also have the right to request a security freeze.

West Virginia Residents: You have the right to ask nationwide consumer-reporting agencies to place "fraud alerts" in your file to let potential creditors and others know that you may be a victim of identity theft. You also have a right to request a security freeze.