



April 13, 2010

Ms. Mary Thayer  
Assistant to Senior Asst Attorney General Lauren Noether  
Office of the Attorney General  
Consumer Protection and Antitrust Bureau  
33 Capitol Street  
Concord, NH 03301

Re: Data Security Incident Notification

Dear Ms. Thayer:

Lorillard Tobacco Company ("Lorillard") was recently notified by one of its benefits consultants, Towers Watson, that a package containing two (2) digital storage devices ("DVDs") had been lost in transit on or about February 2, 2010. Since that time, Towers Watson has been investigating the scope of the breach and working diligently to locate the package. The package was lost after being picked up from the Towers Watson's office by the building's managed mailroom staff for transfer to a nationally recognized delivery service. Contrary to the security policies maintained by Lorillard and by Towers Watson, the service provider did not encrypt the DVDs or the files stored on them. The service provider has performed an extensive search looking for the DVDs and will continue the search until all possible leads are exhausted. At this time, although the DVDs remain lost, there have not been any indications of theft of the DVDs or misuse of the data.

Unfortunately, Lorillard has determined that personal information of two (2) New Hampshire residents—including each individual's first and law name associated with a Social Security Number—employed, or previously employed, by Lorillard was contained on the devices. The form of notice to be sent to these individuals is attached for your information as Exhibit A. The anticipated date of the notice to the individuals is April 9, 2010.

Both Towers Watson and Lorillard deeply regret that this incident occurred and are keenly aware of how important it is to safeguard the personal information. Towers Watson has implemented additional security measures including checks to ensure the encryption of personal information on any storage devices, and Lorillard will continue to work with Towers Watson to ensure that any transport of media containing personal data occurs in a secure manner.

If you have any questions about this incident, please do not hesitate to contact me at \_\_\_\_\_ or \_\_\_\_\_

Sincerely,

A handwritten signature in black ink that reads "William G. Crump". The signature is written in a cursive style with a large, looped initial "W".

William G. Crump  
Vice President  
Human Resources

Corporate Office:  
714 Green Valley Road  
Greensboro, NC 27408

Mail to:  
P. O. Box 10529  
Greensboro, NC 27404-0529

[On Lorillard Letterhead]

Dear

A firm that provides benefits consulting services to Lorillard has recently notified us that it experienced a security breach involving your personal information. The personal information may have included your name, address, date of birth and social security number. This happened through no fault of Lorillard or any Lorillard employee, but we deeply regret that this incident occurred because we are keenly aware of how important your personal information is to you.

There are no indications of theft or misuse of the information, but we still encourage you to take steps to guard against identity theft. You have the right to obtain a credit report. To learn how, please see the "Additional Information" attachment to this letter. You also have the right to request a security freeze. A security freeze prevents anyone from accessing your credit report or opening new credit in your name without the use of a PIN number that you select. Please note: using a security freeze may interfere with or delay your ability to obtain credit when you want it, and also will prevent you from enrolling in the Equifax Credit Watch™ product that we are providing at no charge to you (see below for details).

When requesting a security freeze, you should submit the following information for yourself and, as appropriate, for your spouse: full name, with middle initial and any suffixes; Social Security number; date of birth (month, day and year); current address and previous addresses for the past two years; and applicable fee (if any) or incident report or complaint with a law enforcement agency or the Department of Motor Vehicles. The request should also include a copy of a government-issued identification card, such as a driver's license, state or military ID card, and a copy of a utility bill, bank or insurance statement. Each copy should be legible, display your name and current mailing address, and the date of issue (statement dates must be recent). The credit reporting company *may* charge a reasonable fee of up to \$20 to place a freeze or lift or remove a freeze, unless you are a victim of identity theft or the spouse of a victim of identity theft, and have submitted a valid police report relating to the identity theft to the credit reporting company. You have a right to obtain a police report if you are the victim of identity theft and report it to law enforcement authorities.

You must place a security freeze on your credit file at each credit reporting company, notifying one company will not trigger notification to the other companies. To place a freeze on your credit report, send a written request to each credit reporting agency by certified mail, overnight mail or regular mail to the addresses below:

Equifax Security Freeze  
P.O. Box 105788  
Atlanta, GA 30348  
[www.equifax.com](http://www.equifax.com)

Experian Security Freeze  
P.O. Box 9554  
Allen, TX 75013  
[www.experian.com](http://www.experian.com)

TransUnion (FVAD)  
P.O. Box 6790  
Fullerton, CA 92834-6790  
[www.transunion.com](http://www.transunion.com)

† Insurance underwritten by member companies of American International Group, Inc. The description herein is a summary only. It does not include all terms, conditions and exclusions of the policies described. Please refer to the actual policies for complete details of coverage and exclusions. This product is not intended for minors (under 18 years of age).

To further assist you, we have arranged with Equifax Personal Solutions to offer – at no cost to you – the Equifax Credit Watch™ Gold with 3-in-1 Monitoring identity theft protection product for two years. Equifax Credit Watch will provide you with an “early warning system” to changes to your credit file and help you to understand the content of your credit file at the three major credit reporting agencies. Equifax Credit Watch provides you with the following benefits:

- Comprehensive credit file monitoring and automated alerts of key changes to your Equifax, Experian, and TransUnion credit reports
- Wireless alerts and customizable alerts available
- One 3-in-1 Credit Report and access to your Equifax Credit Report™
- Up to \$1 million in identity theft insurance with \$0 deductible, at no additional cost to you †
- 24 by 7 live agent Customer Service to assist you in understanding the content of your Equifax credit information, to provide personalized identity theft victim assistance and in initiating an investigation of inaccurate information.
- 90 day Fraud Alert placement with automatic renewal functionality (available online only)

For instructions on enrolling in Equifax Credit Watch, please see the attachment enclosed with this letter. Even if you do not choose to enroll in the Equifax Credit Watch, please see the “Additional Information” in the attachment to this letter about other steps you can take to protect yourself. If, for example, you receive any unsolicited request to confirm any sensitive personal information or to provide your credit card number for credit monitoring services, the requests are not from anyone connected with this incident. You should not provide the information.

Again, we apologize for any inconvenience or concern this incident may cause. We are committed to assisting you in protecting yourself. Lorillard has been assured by the consulting firm that additional measures have been taken to prevent this type of incident from occurring again. If you have any questions or need additional information, you may contact our consultant’s information hotline toll free at (888) 435-6031 (or 609-910-4479 outside the U.S.).

Sincerely,

William Crump  
Vice President, Human Resources

## Equifax Credit Watch Gold with 3-in-1 Monitoring

### How to Enroll

To sign up online for **online delivery** go to [www.myservices.equifax.com/tri](http://www.myservices.equifax.com/tri)

1. **Consumer Information:** complete the form with your contact information (name, address and e-mail address) and click "Continue" button. The information is provided in a secured environment.
2. **Identity Verification & Payment Information:** complete the form with your Social Security Number, date of birth, telephone numbers, create a User Name and Password, agree to the Terms of Use and *enter the promotion code provided at the top of your letter* in the "Enter Promotion Code" box and click "Continue" button. This code eliminates the need to provide a credit card number for payment. The system will ask you up to four security questions. This is the Equifax Identity Verification Process.
3. **Order Summary:** click "Continue" button.
4. **Order Confirmation:** – Click "View My Product" to access your 3-in-1 Credit Report and other product features.

To sign up for **US Mail delivery**, dial 1-866-937-8432 for access to the Equifax Credit Watch automated enrollment process. Note that all credit reports and alerts will be sent to you via US Mail only.

1. **Promotion Code:** You will be asked to enter your promotion code as provided at the top of your letter.
2. **Customer Information:** You will be asked to enter your home telephone number, home address, name, date of birth and Social Security Number.
3. **Permissible Purpose:** You will be asked to provide Equifax with your permission to access your credit file and to monitor your file. Without your agreement, Equifax cannot process your enrollment.
4. **Order Confirmation:** Equifax will provide a confirmation number with an explanation that you will receive your **Fulfillment Kit via the US Mail (when Equifax is able to verify your identity) or a Customer Care letter with further instructions (if your identity can not be verified using the information provided).** Please allow up to 10 business days to receive this information.

### Additional Information

You should regularly review statements from your accounts and periodically obtain your credit report from one or more of the national credit reporting companies. You may obtain a free copy of your credit report once every 12 months by visiting <http://www.annualcreditreport.com>, calling toll-free 877-322-8228, or by completing an Annual Credit Report Request Form and mailing it to:

**Annual Credit Report Request Service**, P.O. Box 105281, Atlanta, GA 30348-5281

You can print a copy of the request form at <http://www.ftc.gov/bcp/menus/consumer/credit/rights.shtm>. You can also purchase a copy of your credit report by contacting one of the three national consumer reporting agencies:

<b>Equifax:</b>	800-685-1111	<a href="http://www.equifax.com">www.equifax.com</a>	P.O. Box 740241, Atlanta, GA 30374-0241
<b>Experian:</b>	888-397-3742	<a href="http://www.experian.com">www.experian.com</a>	P.O. Box 9532, Allen, TX 75013
<b>TransUnion:</b>	800-680-7289	<a href="http://www.transunion.com">www.transunion.com</a>	Fraud Victim Assistance Division, P.O. Box 6790, Fullerton, CA 92834-6790

Review the reports carefully for inquiries from companies you did not contact, accounts you did not open, and debts that you cannot explain. Verify the accuracy of your complete name, Social Security Number, address(es), and employer(s). Notify the three consumer reporting agencies about any inaccuracies.

You should remain vigilant with respect to reviewing your account statements and credit reports, and promptly report any suspicious activity or suspected identity theft to us and to proper law enforcement authorities, including local law enforcement, your state's attorney general and the Federal Trade Commission ("FTC"). You may contact the FTC to obtain additional information about avoiding identity theft.

**Federal Trade Commission**, Consumer Response Center, 600 Pennsylvania Avenue, NW, Washington, DC 20580, 1-877-IDTHEFT (438-4338), <http://www.ftc.gov/idtheft>

**Fraud Alerts:** A fraud alert is a consumer statement added to your credit report. This statement alerts creditors of possible fraudulent activity within your report as well as requests that they contact you prior to establishing any accounts in your name. Once the fraud alert is added to your credit report, all creditors should contact you prior to establishing any account in your name. There are also two types of fraud alerts that you can place on your credit report to put your creditors on notice that you may be a victim of fraud: an initial 90-day alert and an extended seven-year alert. You may request an initial fraud alert if you suspect you have been, or are about to be, a victim of identity theft. You may request an extended alert if you have been a victim of identity theft and provide the required documentation. To place a fraud alert, call any of the three credit reporting companies.

**Placing a Fraud Alert with Equifax:** To place a fraud alert on your credit file with Equifax, visit: [www.fraudalerts.equifax.com](http://www.fraudalerts.equifax.com) or you may contact the auto fraud line at 1-877-478-7625, and follow the simple prompts. Once the fraud alert has been placed with Equifax, a notification will be sent to the other two credit reporting agencies, Experian and Trans Union, on your behalf.