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April 29, 2013

**VIA MAIL**

New Hampshire Department of Justice  
Office of the Attorney General  
33 Capitol Street  
Concord, NH 03301

Re: Pearl Izumi Security Breach Notification

To the Office of the Attorney General,

This letter serves as notification pursuant to N.H. Rev. Stat. § 359-C:19 *et seq.* that my client, Pearl Izumi, experienced a breach in its online security system which may have affected the personal information of four New Hampshire residents.

On February 18, 2013, my client initially discovered that a piece of malware had been introduced into its online store without its knowledge. The malware consisted of a piece of code that captured customer information as it was placed on the purchasing screen, information that may have included customer names, addresses, phone numbers, account numbers, and credit card information. From its preliminary investigation, Pearl Izumi believed that the malware was active in its system for a period of less than two hours before detection, and identified seven customers whose information may have been affected during that time, all of whom were concurrently notified.

Following the incident, Pearl Izumi retained a third-party forensic investigator to examine the source of the breach, evaluate the security system currently in place, and advise on any additional measures necessary to ensure the integrity of Pearl Izumi's online store. This subsequent investigation has since revealed the breach to have been more extensive, and Pearl Izumi now believes that the names, addresses, phone numbers, account numbers, and credit card information of up to 1,250 customers may have been compromised. We are now providing full written notice to each affected customer, mailed the week of April 29th, to make certain that they are given all necessary consumer protection information. In addition, we are offering an informational hotline and, at the customer's option, a year of complementary identity monitoring. Pearl Izumi remains dedicated to maintaining the safety of its customers.

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A copy of our customer notification letter is attached. Notification is additionally being sent to all three major consumer reporting agencies. Please advise if your office requires further detail regarding this incident.

Very truly yours,



ROBERT E. BRAUN, P.C. of  
Jeffer Mangels Butler & Mitchell LLP

REB:kmm  
Enclosure

April 29, 2013

[Customer name]

[Address 1]

[Address 2]

Dear [Customer]:

We are notifying you in connection with a recently uncovered security breach that may have affected your account with Pearl Izumi.

On February 18th, 2013, we discovered that malware had been introduced into our online store without our knowledge. As we had recently implemented a new monitoring system to combat just this kind of issue, we were able to eliminate this potential threat soon after discovery, and we believed at the time that the breach affected only a handful of customers. Nonetheless, we retained a third-party forensic investigator to examine the source of the breach, evaluate the security system currently in place, and advise on any additional measures necessary to ensure the integrity of Pearl Izumi's online store. This subsequent investigation indicated that the scope of the breach was more extensive than previously thought, and we now believe that the personal information of as many as 1,250 customers was potentially affected, including yours.

The malware may have enabled a third party to intercept your name, address, phone number, account number and credit card information. We do not know whether any of your personal information was in fact breached, but we encourage you to carefully review the attached Reference Guide, which outlines steps you can take to monitor your credit reports and includes recommendations by the U.S. Federal Trade Commission on how to further protect yourself against identity theft. Under federal law, you are entitled to one free credit report annually from each of the three national credit bureaus. To order, call toll-free at (877) 322-8228 or visit [www.annualcreditreport.com](http://www.annualcreditreport.com). You may also want to place a fraud alert on your credit file.

Pearl Izumi values your business and the privacy of your information, and we take our obligation to safeguard your personal information very seriously. For that reason, we are additionally providing you a complementary one-year membership in Experian's ProtectMyID® Alert. This product helps detect possible misuse of your personal information and provides you with superior identity protection services. Additional materials are enclosed. For more information about the breach or any of this information, please call our toll free hotline at (###) ###-####.

We hope this information is useful, and regret any inconvenience this incident may have caused you.

Sincerely,

Bryan Wight  
Director of Retail Operations

## Reference Guide

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We encourage you to take the following steps:

**Activate ProtectMyID Now in Three Easy Steps.** We have arranged with Equifax Personal Solutions to help you protect your identity and your credit information at no cost to you. Equifax ID Patrol 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.

1. **ENROLL By: [date]**
2. **VISIT the ProtectMyID Web Site: [www.protectmyid.com/redeem](http://www.protectmyid.com/redeem) or call 877-371-7902 to enroll**
3. **PROVIDE Your Activation Code: [code]**

Once your ProtectMyID membership is activated, your credit report will be monitored daily for 50 leading indicators of identity theft. You'll receive timely Credit Alerts from ProtectMyID on any key changes in your credit report which could include new inquiries, new credit accounts, medical collections and changes to public records.

ProtectMyID provides you with powerful identity protection that will help detect, protect and resolve potential identity theft. In the case that identity theft is detected, ProtectMyID will assign a dedicated U.S.-based Identity Theft Resolution Agent who will walk you through the process of fraud resolution from start to finish for seamless service.

We realize that identity theft can happen months and even years after a data breach. To offer added protection, you will receive ExtendCARE™, which provides you with the same high-level of Fraud Resolution support even after your ProtectMyID membership has expired.

Your complimentary 12-Month ProtectMyID membership includes:

- **Credit Report:** A free copy of your Experian credit report
- **Daily 3 Bureau Credit Monitoring:** Alerts you of suspicious activity including new inquiries, newly opened accounts, delinquencies, or medical collections found on your Experian, Equifax® and TransUnion® credit reports.
- **Identity Theft Resolution:** If you have been a victim of identity theft, you will be assigned a dedicated, U.S.-based Experian Identity Theft Resolution Agent who will walk you through the fraud resolution process, from start to finish.
- **ExtendCARE:** Full access to the same personalized assistance from a highly-trained Fraud Resolution Agent even after your initial ProtectMyID membership expires.
- **\$1 Million Identity Theft Insurance\*:** As a ProtectMyID member, you are immediately covered by a \$1 Million insurance policy that can help you cover certain

costs including, lost wages, private investigator fees, and unauthorized electronic fund transfers.

Activate your membership today at [WWW.PROTECTMYID.COM/REDEEM](http://WWW.PROTECTMYID.COM/REDEEM) or call 877-371-7902 to register with the activation code above. Once your enrollment in ProtectMyID is complete, you should carefully review your credit report for inaccurate or suspicious items. If you have any questions about ProtectMyID, need help understanding something on your credit report or suspect that an item on your credit report may be fraudulent, please contact Experian's customer care team at 877-371-7902.

**Order Your Free Credit Report.** To order your free credit report, visit [www.annualcreditreport.com](http://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 ("FTC") website at [www.ftc.gov](http://www.ftc.gov) and mail it to Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348-5281. The three credit bureaus provide free annual credit reports only through the website, toll-free number or request form.

When you receive your credit report, review it carefully. Look for accounts you did not open. Look in the "inquiries" section for names of creditors from whom you haven't requested credit. Some companies bill under names other than their store or commercial names. The credit bureau will be able to tell you when that is the case. Look in the "personal information" section for any inaccuracies in your information (such as home address and Social Security number). If you see anything you do not understand, call the credit bureau at the telephone number on the report. Errors in this information may be a warning sign of possible identity theft. You should notify the credit bureaus of any inaccuracies in your report, whether due to error or fraud, as soon as possible so the information can be investigated and, if found to be in error, corrected. If there are accounts or charges you did not authorize, immediately notify the appropriate credit bureau by telephone and in writing. Information that can't be explained also should be reported to your local police or sheriff's office because it may signal criminal activity.

**Report Fraud.** If you detect any unauthorized transactions in your financial account, promptly notify your payment card company or financial institution. 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 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](http://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 contact the FTC to learn more about how to protect yourself from becoming a victim of identity theft:

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

You can also contact your state's attorney general for more information about identity theft. Maryland residents may contact their Attorney General at 200 St. Paul Place, 16th Floor, Baltimore, MD 21202; toll-free: (888) 743-0023 [www.oag.state.md.us](http://www.oag.state.md.us). North Carolina residents may contact their Attorney General at 9001 Mail Service Center, Raleigh, NC, 27699; telephone: (919) 716-6400.

**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 the victim of identity theft. The alert notifies the merchant to take steps to verify the identity of the applicant. You can place a fraud alert on your credit report by calling any one of the toll-free fraud numbers provided below. You will reach an automated telephone system that allows you to flag your file with a fraud alert at all three credit bureaus.

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

**Place a Security Freeze on Your Credit File.** You may wish to place a "security freeze" (also known as a "credit freeze") on your credit file. A security freeze is designed to prevent potential creditors from accessing your credit file at the credit bureaus without your consent. There may be fees for placing, lifting, and/or removing a security freeze, which generally range from \$5-\$20 per action. *Unlike a fraud alert, you must place a security freeze on your credit file at each credit bureau individually.* Since the instructions for establishing a security freeze differ from state to state, please contact the three national credit bureaus to find out more information.

Equifax	P.O. Box 105788	877-478-	<a href="http://www.equifax.com">www.equifax.com</a>
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	Atlanta, Georgia 30348	7625	
Experian	P.O. Box 9554 Allen, Texas 75013	888-397- 3742	<a href="http://www.experian.com">www.experian.com</a>
TransUnion	Fraud Victim Assistance Division P.O. Box 6790 Fullerton, California 92834	888-909- 8872	<a href="http://www.transunion.com">www.transunion.com</a>

The credit bureaus may require proper identification prior to honoring your request. For example, you may be asked to provide:

- Your full name with middle initial and generation (such as Jr., Sr., II, III)
- Your Social Security number
- Your date of birth
- Proof of your current residential address (such as a current utility bill)
- Addresses where you have lived over the past five years
- A legible copy of a government-issued identification card (such as a state driver's license or military ID card)