



MULLEN
COUGHLIN_{LLC}

RECEIVED

JAN 23 2017

CONSUMER PROTECTION DIVISION
SEATTLE

Jim E. Prendergast
Office: 267-930-4798
Fax: 267-930-4771
Email: jprendergast@mullen.law

1275 Drummers Lane, Suite 302
Wayne, PA 19087

January 12, 2017

INTENDED FOR ADDRESSEE(S) ONLY

VIA E-MAIL AND U.S. MAIL

Office of the Attorney General
1125 Washington Street SE
PO Box 40100
Olympia, WA 98504-0100
E-Mail: securitybreach@atg.wa.gov

ATTORNEY GENERAL
STATE OF WASHINGTON
GSE/OLYMPIA

17 JAN 20 A8:11

RECEIVED

Re: Notice of Data Event

Dear Sir or Madam:

We represent Spiraledge, Inc., 1919 S. Bascom Ave, Ste 300, Campbell, CA (“Spiraledge”), and are writing to notify your office of an incident affecting Spiraledge’s e-commerce sites, www.SwimOutlet.com and www.YogaOutlet.com that may affect the security of personal information relating to certain Washington residents. By providing this notice, Spiraledge does not waive any rights or defenses regarding the applicability of Washington law, the applicability of the Washington data event notification statute, or personal jurisdiction.

Nature of the Data Event

On October 31, 2016, Spiraledge began investigating some unusual activity reported by its credit card processor. Spiraledge immediately began to work with third-party forensic experts to investigate these reports and to identify any signs of compromise on its systems. On November 28, 2016, Spiraledge discovered that it was the victim of a sophisticated cyber-attack that resulted in the potential compromise of some customers’ debit and credit card data used at www.swimoutlet.com and www.yogaoutlet.com between May 2, 2016 to November 22, 2016.

Mullen.law

Since that time, Spiraledge has been working with third-party forensic investigators to determine what happened, what information was affected and to implement additional procedures to further protect the security of customer debit and credit cards. Spiraledge removed the malware at issue to prevent any further unauthorized access to customer debit or credit card information. Spiraledge is also working with the Federal Bureau of Investigations to investigate this incident. Customers can safely use your payment card at www.swimoutlet.com and www.yogaoutlet.com.

Notice to Washington Residents

Through the ongoing third-party forensic investigations, Spiraledge confirmed on November 28, 2016 that malware may have stolen credit or debit card data from some credit and debit cards used at www.swimoutlet.com and www.yogaoutlet.com between May 2, 2016 and November 22, 2016. The information at risk as a result of this event includes the cardholder's name, address, phone number, email address, card number, expiration date and CVV. Spiraledge determined that personally identifiable information relating to nine thousand seven hundred (9,700) Washington residents may have been compromised. Spiraledge is providing written notice of this incident to these potentially impacted Washington residents who made purchases on swimoutlet.com during the May 2, 2016 to November 22, 2016 window beginning on or about January 12, 2017, in substantially the same form as the letter attached hereto as *Exhibit A*. Spiraledge is providing written notice of this incident to these potentially impacted Washington residents who made purchases on YogaOutlet.com during the May 2, 2016 to November 22, 2016 window beginning on or about January 12, 2017, in substantially the same form as the letter attached hereto as *Exhibit B*.

Other Steps Taken and To Be Taken

Spiraledge is working with the FBI to investigate this incident. Spiraledge has established a dedicated hotline for individuals to contact with questions or concerns regarding this incident. Additionally, Spiraledge is providing potentially impacted individuals with helpful information on how to protect against identity theft and fraud, including how to place a fraud alert and security freeze on one's credit file, the contact information for the national consumer reporting agencies, how to obtain a free credit report, a reminder to remain vigilant for incidents of fraud and identity theft by reviewing account statements and monitoring free credit reports, and encouragement to contact the Federal Trade Commission, state attorney general, and law enforcement to report attempted or actual identity theft and fraud. Spiraledge is also providing written notice of this incident to other state regulators and the national consumer reporting agencies as necessary.

Contact Information

Should you have any questions regarding this notification or other aspects of the data security event, please contact us at 267-930-4798.

Very truly yours,



James E. Prendergast of
MULLEN COUGHLIN LLC

JEP

cc: Office of the Attorney General
Consumer Protection Division
800 5th Ave., Suite 2000
Seattle, WA 98104-3188

EXHIBIT "A"



Return Mail Processing
P.O. Box 414
Claysburg, PA 16625-0414



123456

123456 ##C5320-L05-0123456
SAMPLE A SAMPLE
APT ABC
123 ANY ST
ANYTOWN US 12345-6789



January 12, 2017

Re: Notice of Data Breach

Dear Sample A Sample:

For nearly 15 years at SwimOutlet.com, our customer service and online shopping experience have been our company's top priorities, so we were dismayed to learn in late November that we had been the victims of a sophisticated cyber-attack that may have affected the security of our customers' payment information.

We are contacting you personally to provide you with clear information about the incident, steps we are taking in response and action you can take to protect against fraud should you feel it is appropriate.

We apologize for the inconvenience this may have caused and can assure you that we worked hard with top security experts to make our site as safe as possible from these cyber-criminals going forward.

What Happened? On October 31, 2016, we began investigating some unusual activity reported by our credit card processor. We immediately began to work with third-party forensic experts to investigate these reports and to identify any signs of compromise on our systems. On November 28, 2016, we received confirmation of a sophisticated cyber-attack in which a hack into our system may have compromised some customers' debit and credit card data used at www.swimoutlet.com between May 2, 2016-November 22, 2016. The information at risk as a result of this event includes the cardholder's name, address, phone number, email address, card number, expiration date, and CVV.

Our Response: What We Are Doing. We take the security of our customers' information extremely seriously and we have been working with independent forensic investigators to determine what happened, what information was affected and to implement additional procedures to further protect the security of customer debit and credit cards. We are also working with the Federal Bureau of Investigations to investigate this incident. The software from the criminals that attacked our system has been removed and you can safely use your payment card at www.swimoutlet.com.

What You Can Do. Please review the enclosed Privacy Safeguards Information for additional information on how to better protect against identity theft and fraud. We encourage you to remain vigilant against incidents of identity theft by reviewing your account statements regularly and monitoring your credit reports for suspicious activity. Under U.S. law, you are entitled to one free credit report annually from each of the three major credit bureaus. To order one, visit www.annualcreditreport.com or call 1-877-322-8228. You may also contact the three major credit bureaus directly to request a free copy of their credit report.

For More Information. Should you have any questions about the content of this letter or ways you can better protect yourself from the possibility of identity theft, we encourage you to call the dedicated assistance line, staffed by professionals who are experienced in working through situations like this, at **(877) 237-5190**, Monday through Friday, 9 a.m. to 7 p.m. EST (closed on U.S. observed holidays) and provide reference number **1219010417** when calling.

The security of your information is incredibly important to us and we let down our customers, which is why we wanted to contact you as promptly and with as much detail as we could. We are truly sorry about this. The incident will only make us work harder to be the best aquatics shop on the web and serve our customers as best as we possibly can.

Sincerely,

A handwritten signature in black ink, appearing to read "Avi Benaroya". The signature is stylized and written in a cursive-like font.

Avi Benaroya
Chief Executive Officer, SwimOutlet.com



PRIVACY SAFEGUARDS INFORMATION

We encourage you to remain vigilant against incidents of identity theft and fraud, to review your account statements, and to monitor your credit reports for suspicious activity. Under U.S. law you are entitled to one free credit report annually from each of the three major credit reporting bureaus. To order your free credit report, visit www.annualcreditreport.com or call, toll-free, 1-877-322-8228. You may also contact the three major credit bureaus directly to request a free copy of your credit report.

At no charge, you can also have these credit bureaus place a “fraud alert” on your file that alerts creditors to take additional steps to verify your identity prior to granting credit in your name. Note, however, that because it tells creditors to follow certain procedures to protect you, it may also delay your ability to obtain credit while the agency verifies your identity. As soon as one credit bureau confirms your fraud alert, the others are notified to place fraud alerts on your file. Should you wish to place a fraud alert, or should you have any questions regarding your credit report, please contact any one of the agencies listed below.

Equifax
P.O. Box 105069
Atlanta, GA 30348
800-525-6285
www.equifax.com

Experian
P.O. Box 2002
Allen, TX 75013
888-397-3742
www.experian.com

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

You may also place a security freeze on your credit reports. A security freeze prohibits a credit bureau from releasing any information from a consumer’s credit report without the consumer’s written authorization. However, please be advised 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. If you have been a victim of identity theft, and you provide the credit bureau with a valid police report, it cannot charge you to place, lift or remove a security freeze. In all other cases, a credit bureau may charge you a fee to place, temporarily lift, or permanently remove a security freeze. You will need to place a security freeze separately with each of the three major credit bureaus listed above if you wish to place a freeze on all of your credit files. To find out more on how to place a security freeze, you can use the following contact information:

Equifax Security Freeze
P.O. Box 105788
Atlanta, GA 30348
1-800-685-1111
(NY residents please call
1-800-349-9960)
www.freeze.equifax.com

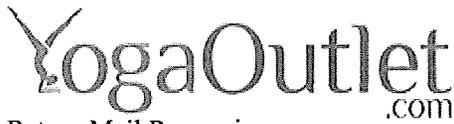
Experian Security Freeze
P.O. Box 9554
Allen, TX 75013
1-888-397-3742
www.experian.com/freeze/center.html

TransUnion
PO Box 2000
Chester, PA 19022-2000
1-888-909-8872
www.transunion.com/securityfreeze

You can further educate yourself regarding identity theft, fraud alerts, and the steps you can take to protect yourself, by contacting the Federal Trade Commission or your state Attorney General. The Federal Trade Commission can be reached at: 600 Pennsylvania Avenue NW, Washington, DC 20580; www.identitytheft.gov; 1-877-ID-THEFT (1-877-438-4338); and TTY: 1-866-653-4261. The Federal Trade Commission also encourages those who discover that their information has been misused to file a complaint with them. **For Maryland residents**, the Attorney General can be reached at: 200 St. Paul Place, 16th Floor, Baltimore, MD 21202; 1-888-743-0023; and

www.oag.state.md.us. **For North Carolina residents**, the Attorney General can be contacted by mail at 9001 Mail Service Center, Raleigh, NC 27699-9001; toll-free at 1-877-566-7226; by phone at 1-919-716-6400; and online at www.ncdoj.gov. Customers have the right to file a police report if they ever experience identity theft or fraud. Please note that in order to file a crime report or incident report with law enforcement for identity theft, customers will likely need to provide some kind of proof that they have been a victim. Instances of known or suspected identity theft should also be reported to law enforcement. This notice has not been delayed as a result of a law enforcement investigation.

EXHIBIT “B”



Return Mail Processing
P.O. Box 414
Claysburg, PA 16625-0414



123456

123456 #C5320-L01-0123456
SAMPLE A SAMPLE
APT ABC
123 ANY ST
ANYTOWN US 12345-6789



January 12, 2017

Re: Notice of Data Breach

Dear Sample A Sample:

In late November, we became aware of a data incident that may affect your payment information. Protecting our customers' information is our highest priority. We have taken immediate steps to resolve the issue and want to provide you with information about the incident, how we have responded, and steps you can take to further protect your data should you feel it appropriate.

What Happened? On October 31, 2016, we began investigating some unusual activity reported by our credit card processor. We immediately began to work with third-party forensic experts to investigate these reports and to identify any signs of compromise on our systems. On November 28, 2016, we received confirmation of a sophisticated cyber-attack in which a hack into our system may have compromised some customers' debit and credit card data used at www.yogaoutlet.com between May 2, 2016-November 22, 2016. The information at risk as a result of this event includes the cardholder's name, address, phone number, email account, card number, expiration date and CVV.

Our Response: What We Are Doing. We take the security of our customers' information extremely seriously and we have been working with independent forensic investigators to determine what happened, what information was affected and to implement additional procedures to further protect the security of customer debit and credit cards. We are also working with the Federal Bureau of Investigations to investigate this incident. The software from the criminals that attacked our system has been removed and you can safely use your payment card at www.yogaoutlet.com.

What You Can Do. Please review the enclosed Privacy Safeguards Information for additional information on how to better protect against identity theft and fraud. It is encouraged to remain vigilant against incidents of identity theft by reviewing your account statements regularly and monitoring your credit reports for suspicious activity. Under U.S. law, you are entitled to one free credit report annually from each of the three major credit bureaus. To order one, visit www.annualcreditreport.com or call 1-877-322-

8228. You may also contact the three major credit bureaus directly to request a free copy of their credit report.

For More Information. Should you have any questions about the content of this letter or ways you can better protect yourself from the possibility of identity theft, we encourage you to call the dedicated assistance line, staffed by professionals who are experienced in working through situations like this, at **(877) 237-7191**, Monday through Friday, 9 a.m. to 7 p.m. EST (closed on U.S. observed holidays) and provide reference number **5001122716** when calling.

The security of your information is incredibly important to us and we let down our customers, which is why we wanted to contact you as promptly and with as much detail as we could. We are truly sorry about this. The incident will only make us work harder to be the best yoga shop on the web and serve our customers as best as we possibly can.

Sincerely,

A handwritten signature in black ink, appearing to read "Avi Benaroya". The signature is stylized and written in a cursive-like font.

Avi Benaroya
Chief Executive Officer, YogaOutlet.com



PRIVACY SAFEGUARDS INFORMATION

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At no charge, you can also have these credit bureaus place a "fraud alert" on your file that alerts creditors to take additional steps to verify your identity prior to granting credit in your name. Note, however, that because it tells creditors to follow certain procedures to protect you, it may also delay your ability to obtain credit while the agency verifies your identity. As soon as one credit bureau confirms your fraud alert, the others are notified to place fraud alerts on your file. Should you wish to place a fraud alert, or should you have any questions regarding your credit report, please contact any one of the agencies listed below.

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

You may also place a security freeze on your credit reports. A security freeze prohibits a credit bureau from releasing any information from a consumer's credit report without the consumer's written authorization. However, please be advised 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. If you have been a victim of identity theft, and you provide the credit bureau with a valid police report, it cannot charge you to place, lift or remove a security freeze. In all other cases, a credit bureau may charge you a fee to place, temporarily lift, or permanently remove a security freeze. You will need to place a security freeze separately with each of the three major credit bureaus listed above if you wish to place a freeze on all of your credit files. To find out more on how to place a security freeze, you can use the following contact information:

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Atlanta, GA 30348
1-800-685-1111
(NY residents please call
1-800-349-9960)
www.freeze.equifax.com

Experian Security Freeze
P.O. Box 9554
Allen, TX 75013
1-888-397-3742
www.experian.com/freeze/center.html

TransUnion
PO Box 2000
Chester, PA 19022-2000
1-888-909-8872
www.transunion.com/securityfreeze

You can further educate yourself regarding identity theft, fraud alerts, and the steps you can take to protect yourself, by contacting the Federal Trade Commission or your state Attorney General. The Federal Trade Commission can be reached at: 600 Pennsylvania Avenue NW, Washington, DC 20580; www.identitytheft.gov; 1-877-ID-THEFT (1-877-438-4338); and TTY: 1-866-653-4261. The Federal Trade Commission also encourages those who discover that their information has been misused to file a complaint with them. **For Maryland residents**, the Attorney General can be reached at: 200 St. Paul Place, 16th Floor, Baltimore, MD 21202; 1-888-743-0023; and

www.oag.state.md.us. **For North Carolina residents**, the Attorney General can be contacted by mail at 9001 Mail Service Center, Raleigh, NC 27699-9001; toll-free at 1-877-566-7226; by phone at 1-919-716-6400; and online at www.ncdoj.gov. Customers have the right to file a police report if they ever experience identity theft or fraud. Please note that in order to file a crime report or incident report with law enforcement for identity theft, customers will likely need to provide some kind of proof that they have been a victim. Instances of known or suspected identity theft should also be reported to law enforcement. This notice has not been delayed as a result of a law enforcement investigation.