

December 13, 2005

Dear [REDACTED]

We are writing to inform you that on December 7, 2005, we discovered a security breach of our electronic records. We quickly investigated the incident and determined that in November 2005, a hacker penetrated our perimeter defenses and obtained unauthorized access to one of our servers, which contained our database of customer records. That database contained the credit card numbers of approximately 3,800 people. We believe that the compromised database contained certain information about you, including your name, all addresses you have provided us, and the below-listed credit card numbers, along with expiration dates and card verification numbers:

Type:

Credit Card:

[REDACTED] XXXX-XXXX-XXXX-[REDACTED]

Guidance is taking this matter very seriously. Upon learning of the incident on December 7, we have been working quickly to investigate the unauthorized network activity and remediate the person's method of access. The next day (December 8) we referred this incident to the U.S. Secret Service, who have begun their own investigation. Of course, our investigation is ongoing, and we will continue to cooperate fully with law enforcement in its investigation as well. To prevent any further unauthorized access of your personal information, we have also deleted all of your credit card information from our customer database.

Protecting your privacy and security is of utmost importance to Guidance. We recommend that you take immediate steps that could help protect you against identity theft or credit card fraud. First, we have enclosed instructions on the back of this letter regarding how you can contact the three major credit bureaus to place a 90-day fraud alert on your account, inquire about any unusual activity on your accounts, and request a free credit report. We also recommend that you carefully review all credit card bills and other account statements you may receive over the next several months, and report any suspicious activity to the financial institution of the account at issue. If you think that your personal information is being improperly used in any manner, you can also contact the Federal Trade Commission at 1-877-ID THEFT (877-438-4338).

While this event is extremely troubling, we are confident, based on an immediate forensic analysis, that the intrusion has now been effectively terminated and our network has been secured. In addition, we are reviewing our operations and re-doubling our efforts to ensure that customer information is secure.

Guidance values and appreciates your business. We sincerely apologize for any inconvenience this may cause you. Please feel free to contact us toll-free at 1-866-999-9941 (and press 8 to reach our call center) with any questions you may have regarding this matter.

Sincerely,



John P. Colbert  
Chief Executive Officer  
Guidance Software, Inc.



December 13, 2005

Dear [REDACTED]

We are writing to inform you that on December 7, 2005, we discovered a security breach of our electronic records. We quickly investigated the incident and determined that in November 2005, a hacker penetrated our perimeter defenses and obtained unauthorized access to one of our servers, which contained our database of customer records. That database contained the credit card numbers of approximately 3,800 people. We believe that the compromised database contained certain information about you, including your name, all addresses you have provided us, and the below-listed credit card numbers, along with expiration dates and card verification numbers:

Type:

[REDACTED]

Credit Card:

XXXX-XXXX-XXXX-[REDACTED]

Guidance is taking this matter very seriously. Upon learning of the incident on December 7, we have been working quickly to investigate the unauthorized network activity and remediate the person's method of access. The next day (December 8) we referred this incident to the U.S. Secret Service, who have begun their own investigation. Of course, our investigation is ongoing, and we will continue to cooperate fully with law enforcement in its investigation as well. To prevent any further unauthorized access of your personal information, we have also deleted all of your credit card information from our customer database.

Protecting your privacy and security is of utmost importance to Guidance. We recommend that you take immediate steps that could help protect you against identity theft or credit card fraud. First, we have enclosed instructions on the back of this letter regarding how you can contact the three major credit bureaus to place a 90-day fraud alert on your account, inquire about any unusual activity on your accounts, and request a free credit report. We also recommend that you carefully review all credit card bills and other account statements you may receive over the next several months, and report any suspicious activity to the financial institution of the account at issue. If you think that your personal information is being improperly used in any manner, you can also contact the Federal Trade Commission at 1-877-ID THEFT (877-438-4338).

While this event is extremely troubling, we are confident, based on an immediate forensic analysis, that the intrusion has now been effectively terminated and our network has been secured. In addition, we are reviewing our operations and re-doubling our efforts to ensure that customer information is secure.

Guidance values and appreciates your business. We sincerely apologize for any inconvenience this may cause you. Please feel free to contact us toll-free at 1-866-999-9941 (and press 8 to reach our call center) with any questions you may have regarding this matter.

Sincerely,

John P. Colbert  
Chief Executive Officer  
Guidance Software, Inc.