

# Verrill Dana<sub>LLP</sub>

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November 3, 2007

VIA FACSIMILE (919) 716-6750  
Attorney General's Office of North Carolina  
Consumer Protection Division  
9001 Mail Service Center  
Raleigh, NC 27699-9001

Re: Security Breach Notification

To Whom It May Concern:

I am an attorney licensed in the State of Maine and a partner of the law firm of Verrill Dana, LLP with a principal office in Portland, Maine. I am writing on behalf of my client, eMotive, Inc. d/b/a KimsCrafts, a small Maine craft manufacturing company located in Topsham, Maine.

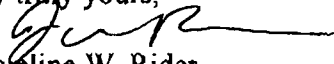
The purpose of this letter is to inform you that KimsCrafts will be notifying approximately 4,500 customers (approximately 74 in North Carolina) about a security concern with its e-commerce website recently reported to it. This potential breach of security would have allowed access to consumer information from August 13, 2007 to October 1, 2007 that was limited to names, addresses and credit card numbers.

KimsCrafts has reported the incident to its local law enforcement agency and has verified through a data security firm that the problem has been contained. KimsCrafts also immediately notified Visa and MasterCard who have, in turn, notified the issuing banks of all cards in question of the security concern. KimsCrafts has also notified the three major consumer credit reporting agencies.

KimsCrafts is very concerned with the privacy and security of its customers. In addition to reviewing and adopting best practices as they relate to cardholders' information and complying with security standards put forth by the credit card associations, KimsCrafts will also launch a new e-commerce in the future, with security as the chief concern.

Enclosed please find a copy of the notification that will be sent to the KimsCrafts customers by November 6, 2007. Please contact me with any questions or concerns at (207) 253-4612.

Very truly yours,

  
Jacqueline W. Rider

Dear Valued Customer:

We are e-mailing to notify you of an inadvertent security breach involving your personal information on the KimsCrafts on-line ordering system. Information provided by our customers, limited to customer names, addresses and credit card numbers, could have been unlawfully accessed from August 13, 2007 to October 1, 2007 and included orders placed since June 25, 2001.

We were alerted recently to the security concern. With the help of a data security firm, we contained the problem within an hour of the initial report. We worked with Visa and MasterCard in assessing the data at risk, and Visa and MasterCard immediately notified your issuing bank so that protective measures could be taken. These measures may include replacing your card or placing it on a watch for fraudulent activity. In addition, we will report the incident to the three major consumer credit reporting agencies and to your state's Attorney General, where applicable. Now that the initial investigation has been completed, we are able to notify you as the cardholder.

As stated, the security concern was immediately contained, and KimsCrafts subsequently took all necessary steps to protect you. In an effort to help with your response, we think it important to understand the risk. While fraudulent use of your credit or debit card is possible, without data such as social security numbers or other personally identifiable information, it should not be possible to establish credit or alter your credit file. However, you may wish to take further steps to protect yourself.

It is recommended that you, of course, keep a close eye on the activity on your card. If you discover that questionable charges are appearing on your card, you should contact your card issuer immediately, cancel the card, and have a new card issued.

If fraudulent charges appear on your credit card, you should also file a police report with your local law enforcement agency. You should request a copy of the report, as many creditors use it to absolve you of the fraudulent debts. Additionally, you may contact the Federal Trade Commission (FTC) at 877-ID-THEFT (438-4338) <http://www.ftc.gov/bcp/edu/microsites/idtheft/consumers/compromised.html> or mail at

Federal Trade Commission  
CRC-240  
Washington, D.C. 20580

It is possible to place a 90-day fraud alert on your credit file at no cost. This alert can be renewed every 90 days at no charge. A fraud alert tells creditors to contact you before they open any new accounts or change your existing accounts. Call any one of the three major credit bureaus:

Equifax  
800-525-6285  
[www.equifax.com](http://www.equifax.com)  
P.O. Box 740241  
Atlanta, GA 30374-0241

Experian  
888-397-3742  
[www.experian.com](http://www.experian.com)  
P.O. Box 9532  
Allen, TX 75013

TransUnion Corp.  
800-680-7289  
[www.transunion.com](http://www.transunion.com)  
P.O. Box 6790  
Fullerton, CA 92834-6790

As soon as one credit bureau confirms your fraud alert, the others are automatically notified to place fraud alerts. All three credit reports will be sent to you, free of charge, for your review. In addition, you can obtain a copy of your credit report by calling 877-322-8228 or by visiting [www.annualcreditreport.com](http://www.annualcreditreport.com).

Even if you do not find any suspicious activity on your initial credit reports, the FTC recommends that you check your credit reports periodically for suspicious credit activity. Reviewing your credit reports periodically can help you spot any unusual activity, such as new accounts or multiple inquiries that you yourself have not generated, and address such issues immediately.

Another way of protecting yourself is to place a security freeze on your consumer credit file, which prohibits credit agencies from sharing your credit file with any potential creditors without your consent. Once your file is frozen, even someone who has your personal information would not be able to obtain credit in your name. For more information regarding how to place a security freeze on your credit file in your state, you may visit the following website:

[http://www.consumersunion.org/campaigns/learn\\_more/003484indiv.html](http://www.consumersunion.org/campaigns/learn_more/003484indiv.html)

For more information about all of the above procedures, you may visit the FTC website at:

<http://www.ftc.gov/bcp/edu/microsites/idtheft/consumers/defend.html>

KimsCrafts is currently working on a new e-commerce website, and we are, of course, creating it with data security as the paramount concern. Our heightened awareness of security will allow us to confidently deliver a well-protected site that will guard against any malicious activity in the future.

We value your business and your privacy, and we genuinely apologize for any inconvenience and concern this has caused. You may request a physical copy of this letter should you so desire. Please contact us with any further questions at:  
800-830-5480 x21

Most sincerely,

Tyler Gibbs  
President - KimsCrafts