



Genica Corporation 1890 Ord Way Oceanside, CA 92056 USA, Tel:760.639.4500 Fax:760.639.4599
www.genica.com

Certified – Return Receipt

Office of the Attorney General
Consumer Protection Division
Attn: Scott Schaffer, Assistant Attorney General
One Ashburton Place
Boston, Massachusetts 02108

March 21, 2008

Dear Mr. Schaffer:

The purpose of this letter is to notify you that Genica dba Geeks.com (“Genica”) recently discovered on February 28, 2008 that customer information, including credit card information of a small number of our customers in your state may have been compromised. The company’s investigation is still ongoing, and we do not yet know the specific date of the incident, but it appears that an unauthorized individual may have accessed this information through our eCommerce website by hacking the security features of our site.

We have contacted California law enforcement authorities and certain federal authorities, and also reported the incident to Visa and Master Card. We are now in the process of contacting relevant state authorities, including your agency as per state law requirements. We also began preparations for notification to all affected individuals of the incident.

We plan to transmit such notice shortly. Please contact me right away at the phone number or email address indicated below in the event that you have any questions regarding this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Jerry L. Harken".

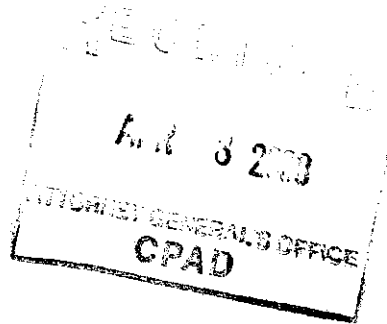
Jerry L. Harken
Chief of Security
Tel: 760-639-4500 x237
Fax: 760-758-4521



Genica Corporation 1890 Ord Way Oceanside, CA 92056 USA, Tel:760.639.4500 Fax:760.639.4599
www.genica.com

Via Facsimile and Certified – Return Receipt

Office of the Attorney General
Consumer Protection Division
Attn: Scott Schafer, Assistant Attorney General
One Ashburton Place
Boston, Massachusetts 02108



April 2, 2008

Dear Mr. Schafer:

This is in response to your letter of March 27, 2008 regarding our initial notification that customer information, including credit card information of a small number of our customers in your state may have been compromised (my letter of March 21, 2008). The company's investigation is still ongoing, and we do not yet know the specific date of the incident, but it appears that an unauthorized individual may have accessed this information through our eCommerce website by hacking the security features of our site. We are aware of eleven (11) Massachusetts residents who appear to have been affected by the breach.

The following describes the steps we are taking, or plan to take, relating to the incident:

Following our discovery of the data breach in December 2007, we retained Trustwave to conduct a forensic audit and to make recommendations regarding our security practices. Since June 2005, we have contracted with ScanAlert for website security monitoring. Trustwave and ScanAlert identified pages on our geeks.com website that were vulnerable to SQL injection. We have modified our web code in accordance with the recommendations of Trustwave and ScanAlert and we believe these issues all have been resolved. As additional security measures, we have contracted with Neohapsis for internal and external network intrusion detection (IDS), intrusion prevention (IPS) and monitoring. We have also purchased and deployed a Breach WebDefend web application firewall to specifically protect and secure our web applications. We have also contracted with Qualys for additional security testing and scanning. Finally, our web application developers just completed an extensive two-day on-site training course on secure coding practices presented by security experts from Trustwave. Our programmers are in the process of reviewing all web application code to ensure that proper input validation, data encryption, and other secure coding practices are in place in accordance with the training received.

Office of the Attorney General
Consumer Protection Division
Attn: Scott Schafer, Assistant Attorney General
April 2, 2008
Page 2

As stated in our initial notification, we have contacted California law enforcement authorities and certain federal authorities, and also reported the incident to Visa and Master Card. We have also contacted relevant state authorities, including your agency, as per state law requirements. We are now prepared to notify all affected individuals of the incident.

Enclosed please find a copy of our proposed letter to residents of Massachusetts. Please review this proposed letter and provide your approval or recommended changes.

Please contact me as soon as possible at the phone number or email address indicated below in the event that you have any further questions regarding this matter.

Sincerely,



Jerry L. Harken
Chief of Security
Tel: 760-639-4500 x237
Fax: 760-758-4521

Genica Corporation
dba Geeks.com
1890 OrdWay
Oceanside, CA 92056



[Insert date]

[Insert address]

[Greeting] [Name],

The purpose of this letter is to notify you that Genica dba Geeks.com ("Genica") recently discovered on December 5, 2007 that customer information, including credit card information, may have been compromised. Following our investigation of the breach, we notified consumers whom we believed were affected. On February 28, 2008 with the help of the United States Secret Service, we identified some additional consumers who appear to have been affected. In particular, it is possible that an unauthorized person may be in possession of your name, address, telephone number, email address, credit card number, expiration date, and card verification number. We are still investigating the details of this incident and have not yet determined the date on which the incident occurred, but it appears that an unauthorized individual may have accessed this information by hacking our eCommerce website.

We take this breach of our data seriously, and we deeply regret that this incident has occurred. We immediately reported this crime to local law enforcement authorities and other federal authorities. We also reported the incident to Visa and Master Card. We have engaged an outside, nationally recognized security firm to determine how this incident occurred and to confirm that information we obtain is protected to the fullest extent reasonably possible.

To protect against possible identity theft or other financial loss, we encourage you to review your credit card account statements, monitor your credit reports, and take other appropriate actions as provided below.

- We have set up a toll-free, call-in number to assist you with questions or concerns you may have related to this incident. All questions should be directed to 1-888-529-6261 or 1-212-560-5108 for non-US recipients.
- Only a small number of Massachusetts residents were affected and our operations are located in California, therefore, we filed a police report in the state of California (Oceanside Police Department, 3855 Mission Boulevard, Oceanside, CA 92054). You have the right to obtain a police report regarding this incident. Please contact the relevant law enforcement authority at the address above to obtain a copy of the report.
- We have provided names and contact information for the three major U.S. credit bureaus below. At no charge, you can have the agency 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. This service can make it more difficult for someone to get credit in your name. Note, however, that because it tells creditors to follow certain procedures to protect you, it also may 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.

Experian: 888-397-3742; www.experian.com; P.O. Box 9532, Allen, TX 75013
Equifax: 800-525-6285; www.equifax.com; P.O. Box 740241, Atlanta, GA 30374-0241

TransUnion: 800-680-7289; www.transunion.com; Fraud Victim Assistance Division, P.O. Box 6790, Fullerton, CA 92834-6790

- You are also entitled under Massachusetts law to request that a security freeze be placed on your credit file. Placing a security freeze on your credit file means that your credit file cannot be shared with potential creditors. A security freeze is free to identity theft victims who have a police report, investigative report or a complaint to a law enforcement agency concerning identity theft. To place a security freeze on your file, you must write to each of the three credit bureaus at the addresses specified above. For each you must: send a letter by mail; provide your full name (including middle initial as well as Jr., Sr., II, III, etc.) address, Social Security number, and date of birth; if you have moved in the past 5 years, supply the addresses where you have lived over the prior 5 years; provide proof of current address such as a current utility bill or phone bill; send a photocopy of a government issued identification card (state driver's license or ID card, military identification, etc.); if you are a victim of identity theft, include a copy of either the police report, investigative report, or complaint to a law enforcement agency concerning identity theft; if you are not a victim, include payment by check, money order or credit card (Visa, Master Card, American Express, or Discover cards only). Credit bureaus charge a \$5 fee unless your request is accompanied by a police or other report concerning identity theft.
- You are also entitled under U.S. law to one free credit report annually from each of the three major credit bureaus. To order your free credit report, visit www.annualcreditreport.com or call toll-free (877) 322-8228. For additional information on how to further protect yourself against identity theft, you may wish to visit the web site of the U.S. Federal Trade Commission at www.consumer.gov/idtheft or reach the FTC at 1-877-382-4357 or 600 Pennsylvania Avenue, NW, Washington, DC 20580.

Again, we deeply regret this incident and any inconvenience or concern it may cause you. We are working diligently to investigate and resolve the matter.

Sincerely,

Jerry L. Harken
Chief of Security
Genica Corporation
DBA: Geeks.com