

# DICKSTEINSHAPIRO<sub>LLP</sub>

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May 18, 2009

## Via First Class Mail

Honorable Martha Coakley  
Attorney General of Massachusetts  
One Ashburton Place  
Boston, MA 02108

Re: Batteries.com LLC Server Hacking

Dear General Coakley:

I am writing to give you notice of a recent data security incident involving our client, Batteries.com LLC, an online merchant, that occurred when an individual or individuals not associated with Batteries.com illegally "hacked" into a Batteries.com server. This hacking resulted in the exposure of name, address and credit card information belonging to a number of Batteries.com customers. Batteries.com has notified law enforcement of the incident and is working with them to identify and prosecute those responsible. Batteries.com also has notified the credit card companies associated with this hacking incident.

The hacking commenced on February 25, 2009 and continued for a period of several weeks. Batteries.com became aware of the hacking beginning in March 2009, after which it began investigating and put in place a series of measures to prevent further risk to customers. Further, Batteries.com retained outside forensic experts to ascertain, in conjunction with internal IT specialists, what happened and which customers may have been affected. The forensic review indicates that the server contained information pertaining to approximately 4,195 residents of your state.

Batteries.com will be notifying those whose information was hacked today and tomorrow. Batteries.com has arranged to provide all affected individuals with two years of credit monitoring and identity theft insurance at the company's expense. Further, Batteries.com has established a call center to support those seeking assistance and created a web site that explains the incident and offers information about privacy and credit protection services. An exemplar copy of the notice letter is enclosed for your information. A handful of Batteries.com customers also have reported unauthorized use of their credit card accounts that is believed to be tied to this hacking. Batteries.com already has provided these individuals with credit monitoring protections and services, as well as providing additional support as needed.

Batteries.com sincerely regrets this incident and is committed to maintaining the confidentiality of its customers' personal information. The company has taken a number of steps to assure the security of data and minimize the likelihood of a similar incident occurring in the future, including limiting the amount of personal information stored, how such information is stored and the time such information is stored. The company also has put in place enhanced security

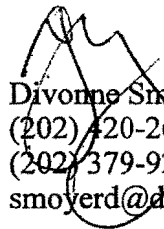
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features to protect its network, and will be unveiling a new website application on June 1, 2009 that adds additional security layers.

Please do not hesitate to contact me if I can provide you with any additional information at any time.

Very truly yours,



Divonne Smoyer  
(202) 420-2665 direct dial  
(202) 379-9256 direct fax  
smoyerd@dicksteinshapiro.com

Enclosure



111 Congressional Blvd. Suite 350, Carmel, IN 46032

May 18, 2009

[Insert Name]  
[Insert Address]  
[Insert City, State, Zip Code]

**Important Security and Protection Notification.**  
*Please read this entire letter.*

Dear Valued Customer:

I am personally writing to you as a customer of Batteries.com to alert you of a data security incident which resulted in the unauthorized exposure of your name, address and credit card information to a person or persons not affiliated with Batteries.com.

Law enforcement has been notified of the incident and is investigating. Batteries.com also has notified the credit card companies associated with the exposure. To date, a handful of Batteries.com customers have reported unauthorized activity regarding their credit card accounts that is believed to be tied to this exposure.

Batteries.com takes this incident seriously and is committed to assuring the security of data and protecting its customers. We encourage you to take advantage of the support services that Batteries.com is offering (described below) to help protect your identity and guard your credit. We hope that this letter, and the assistance that we are offering, will answer your questions and provide practical support. We sincerely regret this incident and any concerns it might raise.

**What Batteries.com Is Doing to Help Protect Your Privacy and Security**

To help protect you from the misuse of your information, Batteries.com is providing you with two-years of Experian's Triple Alert<sup>SM</sup> product, free of charge. Triple Alert will identify and notify you of key changes in your three national credit reports that may indicate fraudulent activity. Your free two-year membership includes:

- Daily monitoring of all three credit files with Experian, Equifax and Trans Union
- Alerts if key changes are detected on any of your three credit reports
- "No-hit" reports, if applicable, letting you know there were no changes with your credit activity
- Dedicated team of fraud resolution representatives for victims of identity theft
- \$25,000 in identity theft insurance provided by Virginia Surety Company, Inc. with no deductible\*\*

\*Triple Alert is provided by ConsumerInfo.com, Inc., an Experian company.

\*\*Identity theft insurance coverage is not available for New York residents. Coverage also is unavailable in US overseas Commonwealths or Territories (e.g., Puerto Rico).

We encourage you to activate your free two-year credit monitoring membership quickly. You may activate your membership over the internet or by phone. The deadline for activating your membership is August 15, 2009.

To enroll on-line, visit the following web site and enter your activation code:

Triple Alert Web Site: <http://partner.consumerinfo.com/batteries>

Your Activation Code: [Activation Code]

If you wish to enroll over the phone for delivery of your membership via US mail, please call 1-888-829-6553.

Please keep in mind that once activated, the code cannot be re-used for another enrollment. The web site will guide you through the process of enrolling in Triple Alert. If you have issues with enrollment on the Triple Alert web site, please call Experian at 1-888-829-6553.

Experian also has set up a Call Center to answer questions you may have and provide you with further assistance and information you may need regarding this incident and the free protections being made available to you. Call Center representatives are available Monday to Friday from 6 a.m. to 6 p.m. and Saturday to Sunday from 8 a.m. to 5 p.m. Pacific Time at 1-888-829-6553.

**Further Steps You Can Take to Protect Yourself**

In addition to registering for these services, there are additional steps that you can take to help protect yourself from fraud or identity theft.

- (1) Review your account statements and credit reports for any suspicious/unauthorized activity and remain vigilant for incidents of fraud and identity theft.
- (2) Request a copy of your credit report at [www.annualcreditreport.com](http://www.annualcreditreport.com). You are entitled to one free report per year from each of the 3 major credit reporting bureaus:

<b>Credit Bureau</b>	<b>Credit Report Toll Free No.</b>	<b>Website</b>
Equifax	1-800-685-1111	<a href="http://www.equifax.com">www.equifax.com</a>
Experian	1-888-397-3742	<a href="http://www.experian.com">www.experian.com</a>
TransUnion	1-877-322-8228	<a href="http://www.transunion.com">www.transunion.com</a>

When you receive your credit reports, review them carefully.

- (3) Contact the credit reporting bureau that provided your credit report if you do not understand an item on it. Report any suspected incidents of identity theft to your local police or sheriff's office. You have a right to obtain a copy of the police report, and you should keep a copy because you may need it for creditors and it will be helpful if you decide to place a security freeze on your accounts (see enclosure for additional information on security freezes). You also may file a complaint with the Federal Trade Commission at 1-877-IDTHEFT (438-4338).
- (4) Contact one of the 3 major credit reporting bureaus to request that a "fraud alert" be placed on your credit file. A fraud alert indicates to anyone requesting your credit file that you may be a victim of fraud or identity theft. When you or someone else attempts to open a credit account in your name, increase the credit limit on an existing account, or obtain a new card on an existing account, the creditor should take steps to verify that you have authorized the request. If it cannot, the request should not be satisfied. There is no charge for this service, and it is easy to request. To activate a fraud alert, call any one of the three major credit bureaus listed below. As soon as you alert one credit bureau, it will notify the other two to place fraud alerts on your account.

Equifax 1-888-766-0008 P.O. Box 740241 Atlanta, GA 30374-0241 <a href="http://www.equifax.com">www.equifax.com</a>	Experian 1-888-397-3742 P.O. Box 9532 Allen, TX 75013 <a href="http://www.experian.com">www.experian.com</a>	TransUnion 1-800-680-7289 P.O. Box 6790 Fullerton, CA 92834-6790 <a href="http://www.transunion.com">www.transunion.com</a>
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For additional information regarding how you can protect yourself against potential fraud or misuse of your personal information, check the Federal Trade Commission at <http://www.ftc.gov/bcp/edu/microsites/idtheft/>.

Further, a website has been established at [www.batteries.com/security/fraud-prevention.asp](http://www.batteries.com/security/fraud-prevention.asp) to provide you with additional information about this incident and how to protect your identity. We recommend you review this information and consider taking these steps to help guard against potential identity theft.

We sincerely apologize for this incident, regret any inconvenience it may cause you and encourage you to take advantage of the services outlined herein. Should you have questions or concerns regarding this matter and/or the protections available to you, please do not hesitate to contact us.

Sincerely,

A handwritten signature in black ink, appearing to read "Matt W. Rogers", with a long horizontal flourish extending to the right.

Matt Rogers  
Managing Director

### Additional Information for Massachusetts Residents Regarding Security Freezes

In addition to the information provided in the enclosed letter, there is another credit protection method which Massachusetts residents may find useful. This method is known as a "security freeze" and it locks or "freezes" access to a consumer credit report and credit score by prohibiting a credit bureau from releasing a consumer's credit report or any information about the consumer's credit history without written authorization unless and until the consumer takes further action. However, placing a security freeze on your credit report may delay, interfere with, or prevent timely approval of requests you make for new loans, credit, mortgages, employment, housing or other services.

Under the laws of your state, you have a right to freeze your credit report. Please be aware that there are rules and regulations surrounding the use of a freeze, including how to request one, how much one costs and how long it takes to put a freeze in place and remove the freeze. You should keep in mind that in order for the freeze to be fully effective, it must be imposed separately on your report at all 3 major credit reporting agencies.

If you have been a victim of identity theft, and you provide the credit reporting agency with a valid police report, the credit reporting agency cannot charge you to place, temporarily lift or remove a security freeze. In all other cases, a credit reporting agency may charge up to \$5 each to place, temporarily lift or remove a security freeze. Each agency has slightly different requirements to place a security freeze:

- Equifax—Send a written request, via certified mail, to Equifax Security Freeze, P.O. Box 105788, Atlanta, Georgia 30348, including the following information: name, address, date of birth, Social Security number, proof of current address, and payment, if appropriate. If you are an identity theft victim and are requesting a security freeze you will not be charged if you also include a copy of a police report, Identity Theft report, or other government law enforcement agency report, such as a DMV report.
- Experian—Send a written request to Experian Security Freeze, P.O. Box 9554, Allen, TX 75013, including your full name, with middle initial and generation, such as JR, SR, II, III, etc.; Social Security number; date of birth (month, day and year); current address and previous addresses for the past two years; one copy of a government issued identification card, such as a driver's license, state or military ID card, etc., and one copy of a utility bill, bank or insurance statement, etc. Each copy must be legible and display your name and current mailing address, and the date of issue (statement dates must be recent). In addition, enclose payment, if appropriate, or, if you are a victim of Identity Theft and are requesting a freeze without payment, enclose a valid investigative or incident report or complaint with a law enforcement agency or the DMV. You may also request a freeze via the internet at [www.experian.com/freeze](http://www.experian.com/freeze).
- TransUnion—Submit a written request (you may make such a request by overnight mail) to TransUnion, Fraud Victim Assistance Department, P.O. Box 6790 Fullerton, CA 92834. Your request must include your name, address, Social Security number and a credit card number and expiration date to pay the applicable fee, if any, for the service. You will also need to provide a verifiable form of identification. Acceptable forms of verification include one of the following documents that show your date of birth: a birth certificate, driver's license, state identification, or some other legal document indicating date of birth. If you are a victim of identity theft and can provide TransUnion with a copy of a valid identity theft report, a department of motor vehicles investigation report, or similar proof that you have been a victim of identity theft, you will not be charged a fee for the Security Freeze services.

To learn more, contact your State Attorney General's office or visit the Federal Trade Commission's website at [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft) and click on the link for credit freeze information.