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February 10, 2010

VIA CERTIFIED MAIL, RETURN
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CONSUMER PROTECTION DIVISION
RECEIVED

FEB 19 2010

Attorney General Janet T. Mills
Office of Attorney General
6 State House Station
Augusta, ME 04333

OFFICE OF ATTORNEY GENERAL

Re: Notification of Security Breach

Dear Attorney General Mills:

This office represents Beer & Wine Hobby Baccus, Inc. (the "Company"). This letter is being sent pursuant to 10 M.R.S. § 1348 to notify the Maine Attorney General's Office that there has been a breach of security of unencrypted computerized data containing the personal information of Maine residents.

The Company learned on or about December 25, 2009 that there may have been an unauthorized acquisition of information contained on computer servers maintained by a third-party vendor on behalf of the Company (the "Breach"). We estimate that the information acquired includes the names and addresses of approximately 35,000 customers of the Company. Partial credit card numbers (missing the first five digits) were linked to the names of approximately 12,000 of these customers, including approximately 197 Maine residents. The Company has received word that at least one customer has received a "phishing" email asking for the first five digits of the customer's credit card information following the Breach.

The Company has taken a number of initial steps to address the Breach. Karin Baker, the Company's owner, made a fraud report on December 31, 2009 to the Internet Crime Complaint Center associated with Google's email service (Gmail) after learning of the "phishing" email sent to an affected customer's Gmail account. Ms. Baker also notified the Woburn, Massachusetts Police Department and filed a police report on January 19, 2010. On January 26, 2010, Ms. Baker contacted Massachusetts

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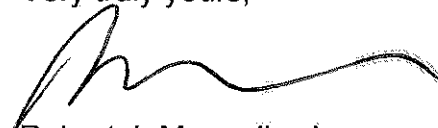
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Assistant Attorney General Diane Babin to report the Breach. The Company is working with an internet consultant specializing in security breaches, which has confirmed that there was a breach of security and identified the means that were used to gain unauthorized access to the information. The Company's website has been taken offline but it is accessible for analysis if need be. The Company has launched a new website that will prevent access to any personal information using the same means used in the Breach.

In addition, the Company is working with Identity Theft 911, a vendor contracted by the Company's insurer, to field calls from customers inquiring about the Breach and to assist any affected customers with the resolution of identity related fraud or theft issues. We anticipate that notices to affected Maine residents will be sent by mid-February.

We would appreciate any assistance or guidance that your office is able to provide in responding to this matter.

Very truly yours,



Robert J. Munnelly, Jr.

cc: Karin Baker