

## **Notification Regarding Potential Unauthorized Acquisition of Personal Information**

June 27, 2019

We write on behalf of Loungefly, LLC to inform you of an issue that may have involved some of your personal information.

**What Happened?** Loungefly appears to have experienced an incident in which unauthorized code was placed on the system that operated the Loungefly online store at [www.loungefly.com](http://www.loungefly.com). In response, we took steps to secure the affected part of our network, including confirming that the unauthorized code was not present on the system that now operates our online store. Following the discovery of unauthorized code, an investigation also was commenced to understand the nature and scope of the incident. At this time, we believe that we will not ever be able to confirm that any personal information was in fact acquired by an unauthorized individual as a result of the incident. However, we also cannot rule out the possibility that the incident may have impacted certain usernames and passwords of customers who created or logged in to their Loungefly accounts, in addition to data associated with payment cards used in transactions, between September 19, 2018 and February 13, 2019. We understand that the total number of customers whose payment card data and/or username and password may have been affected is less than 4,600. We have reported the matter to law enforcement, but this notice has not been delayed because of law enforcement investigation.

**What Information Was Involved?** The following personal information may have been involved in the incident: (i) cardholder name, account number, expiration date, and security code from payment cards used on the Loungefly online store and (ii) the usernames and passwords of customers who created or logged in to their Loungefly accounts. We have not determined that any such information was in fact stolen but we are providing this notice out of an abundance of caution.

**What We Are Doing.** In addition to the steps described in this notice, we are taking steps to further strengthen and enhance our information security controls and procedures. These steps include ongoing coordination with our development team to further harden our system.

**What You Can Do.** We are enhancing the complexity requirements for customer passwords and requiring all Loungefly customers to select a new password that complies with the new requirements the next time they log in to their Loungefly account, regardless of whether their username and password may have been impacted as part of the incident. As a reminder, it is always a good practice to use different passwords on different websites. To the extent you are using your Loungefly password for other services, consider instead using a new, unique password for each service. In addition, it is always a good practice to be vigilant and closely review or monitor your bank and credit card statements, credit reports and other financial

information for any evidence of unusual activity, fraudulent charges or signs of identity theft. Customers are not responsible for counterfeit fraudulent charges on their credit cards or debit cards that are timely reported.

Although the personal information that may have been involved in the incident cannot be used by itself to conduct identity theft, please note that you can contact the Federal Trade Commission (“FTC”) and the national consumer reporting agencies for more information on fraud alerts, security freezes and other steps you can take to avoid identity theft:

**Equifax**, P.O. Box 105788, Atlanta, Georgia 30348, 1-877-478-7625, [www.equifax.com](http://www.equifax.com)

**Experian**, P.O. Box 2002, Allen, TX 75013, 1-888-397-3742, [www.experian.com](http://www.experian.com)

**TransUnion**, P.O. Box 2000, Chester, PA 19016, 1-800-680-7289, [www.transunion.com](http://www.transunion.com)

**Federal Trade Commission**, Consumer Response Center, 600 Pennsylvania Avenue, NW, Washington, D.C. 20580, 1-877-FTC-HELP (382-4357), [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft)

Additional information about how to place a security freeze is included below. Please also note that you can report any suspected incidents of identity theft to law enforcement, your state’s attorney general and/or the FTC. In certain states, you may also obtain any police report filed about this issue.

**For More Information.** If you have any questions regarding the content of this notice, please contact us at [legal@loungefly.com](mailto:legal@loungefly.com) or (425) 261-0723 between the hours of 9:00am – 5:00pm PST Monday through Friday.

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**Additional Information for North Carolina Residents.** You can obtain information from the North Carolina Attorney General’s Office about steps you can take to prevent identity theft. You can contact the North Carolina Attorney General’s Office at:

North Carolina Attorney General’s Office  
9001 Mail Service Center  
Raleigh, NC 27699-9001  
877-566-7226 (toll-free in North Carolina)  
919-716-6400  
[www.ncdoj.gov](http://www.ncdoj.gov)

**Additional Information for Maryland Residents.** You can obtain information from the Maryland Office of the Attorney General about steps you can take to prevent identity theft. You can contact the Maryland Office of the Attorney General at:

Maryland Office of the Attorney General  
Consumer Protection Division  
200 St. Paul Place  
Baltimore, MD 21202  
888-743-0023 (toll-free in Maryland)  
410-576-6300  
[www.marylandattorneygeneral.gov](http://www.marylandattorneygeneral.gov)

### **Additional Information About Security Freezes**

You also have a right to place a “security freeze” on your credit report, which will prohibit a consumer reporting agency from releasing information in your credit report without your express authorization. The security freeze is designed to prevent credit, loans and services from being approved in your name without your consent. However, you should be aware that using a security freeze to take control over who gets access to the personal and financial information in your credit report may delay, interfere with or prohibit the timely approval of any subsequent request or application you make regarding a new loan, credit, mortgage, or any other account involving the extension of credit. In addition, a security freeze does not apply to a person or entity, or its affiliates, or collection agencies acting on behalf of the person or entity, with which you have an existing account that requests information in your credit report for the purposes of reviewing or collecting the account. Reviewing the account includes activities related to account maintenance, monitoring, credit line increases, and account upgrades and enhancements.

If you wish to place a security freeze on your credit file, you must separately place a security freeze on your credit file at each credit reporting agency. In order to place a security freeze, you may need to provide the following information: (1) Full name (including middle initial as well as Jr., Sr., II, III, etc.); (2) Social Security Number; (3) Date of birth; (4) Addresses for the prior five years; (5) Proof of current address; and (6) A legible copy of a government issued identification card. You can contact each credit reporting agency below for details on what information each company requires and to place a security freeze on your credit file:

**Equifax Security Freeze**  
P.O. Box 105788  
Atlanta, GA 30348  
800-349-9960  
[www.equifax.com](http://www.equifax.com)

**Experian Security Freeze**  
P.O. Box 9554  
Allen, TX 75013  
888-397-3742  
[www.experian.com](http://www.experian.com)

**TransUnion**  
P.O. Box 160  
Woodlyn, PA 19094  
888-909-8872  
[www.transunion.com](http://www.transunion.com)