

EXHIBIT 1

By providing this notice, Akira does not waive any rights or defenses regarding the applicability of California law, applicability of the California data event notification statute, or personal jurisdiction.

Background

On or around July 14, 2017, Akira was advised that it had been identified as a common point of purchase for potential credit card fraud. Akira immediately initiated an internal investigation and hired a third-party forensic investigator to determine the nature and scope of the incident. On July 18, 2017, the forensic investigator confirmed that an unidentified third party had injected malicious code into the shopakira.com e-commerce site. The malicious code enabled the unidentified third party to acquire credit card information used at checkout. Akira's investigation revealed that the malicious code collected payment information used on shopakira.com between November 2016 and July 2017.

The specific information that may have been obtained by the unidentified third party included the customers' name, billing address, full credit card number, expiration date, and CVV number. Akira has removed the malicious code from the affected system, and took additional steps to ensure the security of its systems.

Notice to California Residents

On September 1, 2017, Akira will begin providing written notice of this incident to all potentially affected customers, which includes one thousand, two hundred and forty-five (1,245) California residents. Written notice will be provided in substantially the same form as the letter attached hereto as *Exhibit A*.

Other Steps Taken and to Be Taken

Immediately after discovering the malicious code, Akira removed it from the website. In addition, Akira is providing potentially affected individuals with guidance on how to better protect against identity theft and fraud, including information on how to place a fraud alert and security freeze on one's credit file, the contact details for the national consumer reporting agencies, information on how to obtain a free credit report, a reminder to remain vigilant for incidents of fraud and identity theft by reviewing account statements and monitoring free credit reports, and encouragement to contact the Federal Trade Commission, their state Attorney General, and law enforcement to report attempted or actual identity theft and fraud.

EXHIBIT A

AKIRA

Processing Center • P.O. BOX 141578 • Austin, TX 78714



00230
JOHN Q. SAMPLE
1234 MAIN STREET
ANYTOWN US 12345-6789

September 1, 2017

RE: Notice of Data Breach

Dear John Sample:

Akira, which operates shopakira.com, is writing regarding a recent data security incident that may impact certain payment card information used by you to make purchases on our website only. Please note that this incident only affects cards used on our website at shopakira.com and not those used in our stores. We wanted to provide you with information about this incident, our response and steps you can take to prevent fraud, should you feel it necessary to do so.

What Happened? Akira was recently contacted by representatives of the credit card industry regarding potential fraud related to credit cards used on our website. We immediately launched an internal investigation and hired a third party forensic investigator. On July 18, 2017, the forensic investigator confirmed that our website was infected with a form of malicious code that collected certain payment information used at checkout. This code was immediately removed from our website.

What Information Was Involved? While the investigation is ongoing, we believe that certain payment information used by customers of shopakira.com was subject to unauthorized access from November 2016 through July 2017. The data elements potentially subject to unauthorized access include your: name, address, phone number, email address and credit and/or debit card information. Your Social Security number was not affected by this matter.

What We Are Doing. We take the security of your personal information very seriously. We have removed the infected code that led to the vulnerability and implemented additional security measures to reduce the likelihood of a similar incident from happening in the future. We are providing notice of this incident to those who may be impacted so that they can take steps to prevent against possible fraud, should they feel it is necessary to do so. We will also notify any required state regulators and the credit reporting agencies about this incident.

What You Can Do. You can stay vigilant by reviewing your credit card statements for any suspicious charges. You can also review the enclosed *Steps You Can Take to Protect Against Identity Theft and Fraud* which includes guidance on steps you can take to better protect against the possibility of fraud and identify theft.



01-02-2-00

For More Information. If you have questions or concerns that are not addressed in this notice letter, you may call the confidential call center we have set for this matter at 1-855-285-9875 Monday through Saturday, 8:00 a.m. to 8:00 p.m. C.D.T. Please do not contact your local store with questions. This call center is better equipped to address all questions regarding the incident.

We take the privacy of your personal information seriously. We sincerely regret any inconvenience or concern this incident has caused you.

Sincerely,

A handwritten signature in black ink, appearing to be 'Eric Hsueh', with a long horizontal stroke extending to the right.

Eric Hsueh
Vice President

Steps You Can Take to Protect Against Identity Theft and Fraud

We encourage you to remain vigilant against incidents of identity theft and fraud, to review your account statements, and to monitor your credit reports for suspicious activity. Under U.S. law you are entitled to one free credit report annually from each of the three major credit reporting bureaus. To order your free credit report, visit www.annualcreditreport.com or call, toll-free, 1-877-322-8228. You may also contact the three major credit bureaus directly to request a free copy of your credit report.

At no charge, you can also have these credit bureaus 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. Note, however, that because it tells creditors to follow certain procedures to protect you, it may also 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.

Equifax
P.O. Box 105069
Atlanta, GA 30348
1-800-525-6285
www.equifax.com

Experian
P.O. Box 2002
Allen, TX 75013
1-888-397-3742
www.experian.com

TransUnion
P.O. Box 2000
Chester, PA 19022-2000
1-800-680-7289
www.transunion.com

You may also place a security freeze on your credit reports. A security freeze prohibits a credit bureau from releasing any information from a consumer’s credit report without the consumer’s written authorization. However, please be advised that placing a security freeze on your credit report may delay, interfere with, or prevent the timely approval of any requests you make for new loans, credit mortgages, employment, housing, or other services. If you have been a victim of identity theft, and you provide the credit bureau with a valid police report, it cannot charge you to place, lift or remove a security freeze. In all other cases, a credit bureau may charge you a fee to place, temporarily lift, or permanently remove a security freeze. You will need to place a security freeze separately with each of the three major credit bureaus listed above if you wish to place a freeze on all of your credit files. To find out more on how to place a security freeze, you can use the following contact information:

Equifax Security Freeze
P.O. Box 105788
Atlanta, GA 30348
1-800-685-1111
(NY residents please call
1-800-349-9960)
<https://www.freeze.equifax.com>

Experian Security Freeze
P.O. Box 9554
Allen, TX 75013
1-888-397-3742
www.experian.com/freeze/center.html

TransUnion
P.O. Box 2000
Chester, PA 19022-2000
1-888-909-8872
www.transunion.com/credit-freeze



You can further educate yourself regarding identity theft, fraud alerts, and the steps you can take to protect yourself, by contacting the Federal Trade Commission or your state Attorney General. The Federal Trade Commission can be reached at: 600 Pennsylvania Avenue NW, Washington, DC 20580, www.identitytheft.gov, 1-877-ID-THEFT (1-877-438-4338); TTY: 1-866-653-4261. **For Maryland residents**, the Attorney General can be reached at: 200 St. Paul Place, 16th Floor, Baltimore, MD 21202; 1-888-743-0023; and www.oag.state.md.us. **For North Carolina residents**, the Attorney General can be contacted by mail at 9001 Mail Service Center, Raleigh, NC 27699-9001; toll-free at 1-877-566-7226; by phone at 1-919-716-6400; and online at www.ncdoj.gov. **For Rhode Island Residents**, The Rhode Island Attorney General may be contacted at: Rhode Island Attorney General's Office, 150 South Main St., Providence, RI 02903. <http://www.riag.ri.gov>. Approximately 29 Rhode Island residents may have been affected by this incident. **For New Mexico residents**, you have rights pursuant to the Fair Credit Reporting Act, such as the right to be told if information in your credit file has been used against you, the right to know what is in your credit file, the right to ask for your credit score, and the right to dispute incomplete or inaccurate information. Further, pursuant to the Fair Credit Reporting Act, the consumer reporting agencies must correct or delete inaccurate, incomplete, or unverifiable information; consumer reporting agencies may not report outdated negative information; access to your file is limited; you must give your consent for credit reports to be provided to employers; you may limit "prescreened" offers of credit and insurance you get based on information in your credit report; and you may seek damages from violator. You may have additional rights under the Fair Credit Reporting Act not summarized here. Identity theft victims and active duty military personnel have specific additional rights pursuant to the Fair Credit Reporting Act. We encourage you to review your rights pursuant to the Fair Credit Reporting Act by visiting www.consumerfinance.gov/f/201504_cfpb_summary_your-rights-under-fcra.pdf, or by writing Consumer Response Center, Room 130-A, Federal Trade Commission, 600 Pennsylvania Ave. N.W., Washington, D.C. 20580. The Federal Trade Commission also encourages those who discover that their information has been misused to file a complaint with them. Instances of known or suspected identity theft should also be reported to law enforcement. This notice has not been delayed by law enforcement.