

# Exhibit 1

Our office represents Graphik Dimensions, Ltd. (“Graphik Dimensions”), 2103 Brentwood Street, High Point NC 27263, the owner and operator of the e-commerce site pictureframes.com. We are writing to provide you with notice of an event that may impact the security of financial information relating to approximately one thousand six hundred fourteen (1614) California residents. By providing this notice, Graphik Dimensions, Ltd. 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 November 9, 2016, Graphik Dimensions was advised that it had been identified as a common point of purchase for credit card fraud. On or around November 29, 2016, Graphik Dimensions’ investigation confirmed that an unidentified third party had injected malicious code into the pictureframes.com e-commerce site. The malicious code enabled the unidentified third party to acquire credit card information while the purchase took place. Graphik Dimensions’ investigation revealed that the exploit existed between July 12, 2016 and November 30, 2016.

The specific information that may have been obtained by the unidentified third party included customers’ name, billing address, full credit card number, expiration date, CVV number, and user name and password. Graphik Dimensions removed the malicious code from the affected system, and continues to take steps to ensure the security of its systems. It worked with the investigators, along with other subject matter experts, to ensure the security of its customers’ data and to implement a remediation plan to improve security in Graphik Dimensions’ network.

### **Notice to California Residents**

While the investigation is ongoing, Graphik Dimensions has concluded that the financial information of approximately one thousand six hundred fourteen (1614) California residents was affected by this incident. Beginning on or about December 28, 2016, Graphik Dimensions, Ltd. is mailing written notice of this incident to the individuals whose credit card information may have been affected by this incident, in substantially the same form as the letter attached hereto as *Exhibit A*.

### **Other Steps Taken and To Be Taken**

Graphik Dimensions takes the security of its customers’ information extremely seriously. In addition to the steps taken above, Graphik Dimensions is providing its affected customers notice of this incident along with information on how to better protect against identity theft and fraud.

In addition to providing notice of this incident to your office, federal law enforcement and the credit card brands have been notified, and Graphik Dimensions is providing notice of this incident to other regulators and consumer reporting agencies where required.

# Exhibit A



Return Mail Processing Center  
PO Box 6336  
Portland, OR 97228-6336

<<mail id>>  
<<FirstName>> <<LastName>>  
<<Address1>>  
<<Address2>>  
<<City>>, <<State>> <<ZIP>>

<<Date>>

**Re: Notice of Data Breach**

Dear <NAME>:

Graphik Dimensions, the operator of pictureframes.com, is writing to alert you about a recent incident that may have affected the security of your credit card information. We are providing this notice to ensure that you are aware of the incident so that you may take steps to protect your information should you feel it is appropriate to do so.

**What Happened?** On or around November 9, 2016, Graphik Dimensions was advised that it was identified as a common point of purchase for credit card fraud. We began an investigation and discovered that an unidentified third party had injected malicious code into the pictureframes.com e-commerce platform. The malicious code enabled the unidentified third party to acquire credit card information while the purchase took place. Our investigation revealed that this exploit existed between July 12, 2016 and November 30, 2016. We have removed the malicious code from the affected system, and continue to take steps to ensure the security of our systems.

**What Information Was Involved?** The information that may have been obtained by the unidentified third party included your name, billing address, full credit card number, expiration date, and CVV number. Your pictureframes.com username and password may have been accessed as well.

**What is Graphik Dimensions Doing?** Graphik Dimensions takes the security of its customers' financial information extremely seriously. Upon learning of this incident, we worked with third party investigators to confirm the timeframe and scope of the incident and to ensure the malicious code had been removed. We also worked with the investigators, along with other subject matter experts, to ensure the security of our customers' data and to implement a remediation plan to improve security in our network. The credit card issuers and federal law enforcement have been notified.

In addition to the steps taken above, we are also providing notice of this incident to you, along with information on how to better protect against identity theft and fraud. The enclosed Privacy Safeguards contains information on protecting against identity theft and fraud.

**What Can You Do?** You can review the additional information included in the attached Privacy Safeguards on how to better protect against identity theft and fraud.

**For More Information.** Should you have any questions regarding this incident, please call 844-893-3071, Monday through Friday, 9:00 a.m. – 9:00 p.m. ET.

We would like to sincerely apologize for any inconvenience this may cause. We also want to assure you that we continue to take appropriate actions to protect the privacy and security of your information.

Regards,

Mary Shanahan  
VP of Marketing & Customer Care

## PRIVACY SAFEGUARDS

You may take action directly to protect against possible identity theft or financial loss. We encourage you to regularly change passwords for any online accounts. We also encourage you to remain vigilant against incidents of identity theft and fraud, to review your account statements, and to monitor your credit reports and explanation of benefits forms 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](http://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  
800-525-6285  
[www.equifax.com](http://www.equifax.com)

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

TransUnion  
P.O. Box 2000  
Chester, PA 19022-2000  
800-680-7289  
[www.transunion.com](http://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)  
[www.equifax.com/help/  
credit-freeze/en\\_cp](http://www.equifax.com/help/credit-freeze/en_cp)

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

TransUnion  
PO Box 2000  
Chester, PA 19022-2000  
[www.transunion.com/securityfreeze](http://www.transunion.com/securityfreeze)  
1-888-909-8872

You can further educate yourself regarding identity theft, and the steps you can take to protect yourself, by contacting your state Attorney General or the Federal Trade Commission. The Federal Trade Commission also encourages those who discover that their information has been misused to file a complaint with them. The Federal Trade Commission can be reached at: 600 Pennsylvania Avenue, NW, Washington, DC 20580; [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft); 1-877-ID-THEFT (1-877-438-4338); and TTY: 1-866-653-4261. Instances of known or suspected identity theft should be reported to law enforcement, your Attorney General, and the FTC. This notification has not been delayed as the result of a law enforcement investigation.