Notice of Data Breach

April 26, 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 portion of our computer network that processes payment card transactions for the Loungefly online store at www.loungefly.com. In response, we took immediate steps to secure the affected part of our network, including removing the unauthorized code. Following the discovery of the code, an investigation also was commenced to understand the nature and scope of the incident. The investigation concluded on April 3, 2019. At this time, we believe that we will not ever be able to confirm that any payment card information was in fact acquired by an unauthorized individual as a result of the incident. However, we also cannot rule out the possibility that data associated with less than 3,600 payment cards used in transactions between September 19 and December 17, 2018 may have been affected. We have reported the matter to law enforcement, but this notice has not been delayed because of law enforcement investigation.

<u>What Information Was Involved?</u> The following personal information may have been involved in the incident: cardholder name, account number, expiration date, and other numerical information (including security code) from payment cards used on the Loungefly online store. We have not determined that any such cardholder data was in fact stolen but we are providing this notice out of an abundance of caution.

<u>What We Are Doing.</u> 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.

<u>What You Can Do.</u> 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 or fraudulent charges. Customers are not responsible for counterfeit fraudulent charges on their credit cards or debit cards that are timely reported.

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

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