

POOLE ■ SHAFFERY

ATTORNEYS AT LAW

Writer's email: MLittle@pooleshaffery.com

November 9, 2018

VIA U.S. MAIL, RETURN RECEIPT REQUESTED,
AND EMAIL TO: SECURITY.BREACH.NOTIFICATION@STATE.DE.US

Delaware Department of Justice
Consumer Protection Unit
820 N. French Street, 5th Floor
Wilmington, DE 19801

RE: PRELIMINARY NOTICE OF POTENTIAL SECURITY BREACH

To Whom It May Concern:

Please be advised that this office represents They, LLC, a California limited liability company (“They”). We ask that you please direct all correspondence and inquiries regarding the issues addressed below to our office.

They operates an e-commerce business through its website www.elementvape.com (the “Website”). It has come to our attention that the Website was subject to a data security incident which is described in greater detail below (the “Breach Event”). They takes the privacy and security of its customer’s information very seriously and is taking steps to prevent a similar incident from occurring in the future. For your reference, a completed Delaware Model Data Security Breach Notification Form (the “Data Breach Form”) is attached to this written notice herein. The enclosed Data Breach Form as well as the following information provides a basic summary about the Breach Event based on the information we have obtained as of the date of this letter. Please note that this information is subject to change, as our investigation into the Breach Event is ongoing.

Brief Description of the Breach Event

On September 20, 2018, They discovered that a third-party intruder inserted malicious codes into the Website’s shopping cart e-commerce software platform creating a window of intrusion between December 6, 2017 and June 27, 2018 wherein the personal information of They’s customers who made transactions on the Website may have been at risk of unauthorized access. Upon this discovery, They ran a search of all consumer transactions that took place on the Website during the window of intrusion. It was during this process that They determined that the personal information of certain Delaware residents may be subject to potential unauthorized access. However, we have not been provided with specific evidence that the personal information of Delaware residents was in fact acquired illegally or that any such information was used for any fraudulent purpose as a result of the Breach Event.

The Number of Delaware Residents Potentially Affected by the Breach Event

As noted in the attached Data Breach Form, as of the date of this letter, approximately 585 Delaware residents and 226,000 persons total in the United States are potentially affected by the Breach Event. This number may be subject to change as They and our office continue our investigation into the scope of the Breach Event.

RE: PRELIMINARY NOTICE OF POTENTIAL SECURITY BREACH

November 9, 2018

Page 2

Categories of Personal Information Subject to the Breach Event

As noted above, neither Theyy nor our office are in receipt of any evidence that personal information of a Delaware resident was in fact acquired illegally during the Breach Event or that any such information was used for any fraudulent purpose as a result of the Breach Event. However, it appears that the credit card information of customers who made transactions on the Website during the above-mentioned window of intrusion was considered at risk of potential compromise. It is our understanding that the Website was encrypted; however, we have been informed that the aforementioned personal information may have been de-encrypted and/or subject to unauthorized access.

Steps Taken or Planned to be Taken Relating to the Breach Event

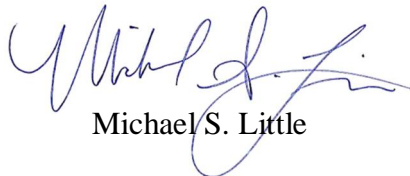
Theyy has taken affirmative steps to prevent a similar situation from arising in the future and to protect the privacy and security of its customer's personal information. These steps have included those actions noted in the enclosed Data Breach Form as well as implementing security patches to the shopping cart, removing the malicious code from Theyy's e-commerce platform, and mitigating vulnerabilities with the Website by, among other things, increasing security monitoring along with existing SSL encryption technology for all transactions on the Website.

It is also our understanding that federal law enforcement, namely the United States Secret Service, is aware of this incident. Furthermore, we will inform local law enforcement in Los Angeles County of the Breach Event. We also notified the New Jersey Division of State Police Department of Law and Public Safety about the Breach Event on or about October 26, 2018.

To protect these Delaware residents who may have been affected by the Breach Event, Theyy will notify such Delaware residents in writing and offer identity theft protection / mitigation services at no cost to them. Please find enclosed an anonymized draft of the notice letter sent via U.S. Mail to Delaware residents whose personal information may have been compromised as a result of the Breach Event. Should you have any questions, we ask that you please direct all correspondences related to the Breach Event to counsel for Theyy:

Poole & Shaffery, LLP
Attn: Michael S. Little, Esq.
25350 Magic Mountain Parkway, Suite 250
Santa Clarita, CA 91355
Phone: (661) 290-2991
Fax: (661) 290-3338

Sincerely,
POOLE & SHAFFERY, LLP



Michael S. Little

MSL:ams

cc: Theyy, LLC (via email only)
Andrew M. Sevanian (via email only)

Enclosures