
From: no-reply@corecommerce.com
Sent: Tuesday, May 03, 2011 1:19 PM
Subject: Important information regarding your CoreCommerce Account

Dear Valued Sum Effect Software Customer:

We are contacting you to inform you that Sum Effect Software, Inc., which provides the software-as-a-service product CoreCommerce, recently discovered that our files and software were compromised in connection with an illegal and unauthorized intrusion into our network.

A few weeks ago, we were made aware that certain fraudulent \$1 authorize.net transactions were being made outside of our system. Based on these reports, we promptly commenced an internal investigation into the fraudulent charges. As we started our investigation, the fraudulent charges stopped. However, these fraudulent charges re-commenced last week, and we determined late last week that our network had been illegally accessed by a third party.

Specifically, files containing credit card numbers stored on Sum Effect Software's servers were illegally accessed by a third party. While these files were encrypted with industry-standard MD-5 encryption with a random hash generator, it appears that the intruder may have been able to decrypt the files by illegally reverse-engineering our software applications. The intruder went to great lengths to conceal the fact that he or she had accessed our network, software and files.

If you or your customers provided names, addresses, phone numbers, and/or credit card information through our systems, it is possible those names, addresses, phone numbers, credit card numbers (excluding CVV security codes) and expiration dates may have been unlawfully obtained. In keeping with PCI regulations, CVV security codes are never stored and, therefore, could not have been accessed.

If, on the other hand, your customers utilized Google Checkout, Amazon Checkout or PayPal, this intrusion would likely not affect you because those entities do not send credit card information to us in connection with transactions made through their respective websites. However, because our investigation is ongoing, we are notifying all clients of the data intrusion to ensure that each client can take whatever steps it deems appropriate under the circumstances.

To protect against possible identity theft or other financial loss, you will need to notify your merchant card processors. You also will need to notify your customers to encourage them to be vigilant, including carefully reviewing their account statements and monitoring their credit reports for suspicious activity.

In addition to making you aware of this apparent network security breach, we have taken several steps in response to this intrusion, including:

1. Changing all passwords and modifying our software applications to ensure there are no vulnerabilities resulting from this unauthorized access to our software and systems;
2. Engaging an outside, industry-recognized security firm to conduct a full and complete investigation of the event;
3. Obtaining an independent assessment of our network to identify any measures that can be taken to fortify the security measures we already have in place; and

4. Quickly taking steps to enhance security and strengthen our network infrastructure to provide our clients with even greater protection of non-public personal information and credit card numbers.

We also have reported this intrusion to state and federal law enforcement agencies. Our team and outside investigators will continue to work around the clock on this matter to determine the identity of the intruder and strengthen the security of our systems.

We want to thank you in advance for your patience as we complete our investigation. Sum Effect Software takes data security extremely seriously, and we sincerely regret any inconvenience to you or your customers. We will continue to work to ensure additional measures are taken to secure personally identifiable information, and we are committed to continuing to provide you with quality, reliable support services.

If we obtain further facts about this incident, we will contact you to share additional information. In the interim, if you have any questions or would like further information, please do not hesitate to contact us at (615) 790-0823. Thank you.

Sincerely,

Matt DeLong
Sum Effect Software, Inc.