

INSERT COSTCO PHOTO CENTER LOGO

Costco Photo Center Security Update

Dear [Insert Member Name]:

As you may be aware, the company that hosts the online Costco Photo Center suffered a security compromise that caused our photo site to be taken offline for several weeks. Although we do not know the exact date of Costco's compromise, an unauthorized party appears to have accessed the host company's system from June 19, 2014 to July 15, 2015. At some point, the unauthorized party deployed malware within the host company's systems. Several retailers were impacted, but we do not know the extent of that impact. Our investigation indicates that some Costco members who typed information into their account may have had that information taken. You are receiving this notice because you conducted a transaction on the Costco Photo Center website during the affected time period, and thus you may have entered your email address, password, your credit card security code or a shipping address. We do not believe, however, that stored information, such as your credit card number or your photos, was at risk. Costco.com itself was not impacted.

The site was taken offline on July 17 so that it could be rebuilt with additional security measures at a variety of levels. As a precaution, all stored credit card information was deleted. When we resume taking payments online, the site will have new payment technology with enhanced security features. We continue to work closely with our hosting company to implement security tools and tests to protect our members' personal data.

Now that the site is online again, we are requiring that all users reset their passwords the first time they access the site. In addition, we strongly recommend that you change your password on all other sites or services where you used the same password used for the photo site.

There is additional information about this situation accessible from the help section of the online Costco Photo Center: <http://www.costcophotocenter.com/faqs> You may also call us at 866-329-0155.

We regret any inconvenience this situation may cause you.

Sincerely,

The Costco Photo Center Team