July 10, 2015

Dear Valued Customer.

We recently sent you a letter informing you of a security incident that might affect you. We are now writing to provide you with updated information about this security incident.

After we eradicated the initial infiltration into our system (as we previously informed you), our systems were attacked again by, we believe, the same hacker. This hacker is a sophisticated and persistent criminal with detailed knowledge of how to exploit online shopping cart systems. We discovered on June 10, 2015, that the hacker managed to circumvent the safeguards we had implemented after the initial attack. We worked into the night in response to this discovery, and on the same day, successfully eradicated the malicious software that caused the second attack.

However, the hacker may have acquired personal information entered into the AeroGrow website by customers during the period of May 13, 2015 to June 10, 2015. This personal information could include name, address information, payment card account number, expiration date, and CCV/CVV. As with the prior attack, we can say with certainty that the hacker did <u>not</u> obtain other personal information, such as Social Security number, personal identification number (PIN), driver's license number, or financial account number, because AeroGrow does not collect that information from its customers. In addition, although your credit card information may be at risk, our investigation did not show that this information was actually acquired or misused.

We are now confident that we have thwarted this criminal and that it is safe to shop on AeroGarden.com. This hacker attacked our system again before we could complete our security plan in response to the first attack. Those security measures are now in place. In addition, we conducted a second, comprehensive review of our systems in an effort to prevent a recurrence.

In our initial letter to you, we provided information on how you can enroll, at no cost to you, in ProtectMyID Elite, an identity protection product provided by Experian. We also provided you with a list of steps that you can consider taking to protect the security of your personal information. If you have not already reviewed, and acted on, that information, we encourage you to do so at your earliest convenience. If you have any questions about this situation, our Customer Service team is available at 1-866-438-1808 between 8:30AM – 5:00PM Mountain Time, Monday - Friday.

Please know that we deeply regret this security incident. Unfortunately, like other companies in today's global economy and even the federal government, we were targeted by criminal cyber attackers. We remain steadfast in our commitment to protecting the security of your personal information and to providing you information to help you protect yourself.

Sincerely,

J. Michael Wolfe President & CEO