

STATE OF VERMONT  
SUPERIOR COURT  
WASHINGTON UNIT

VT SUPERIOR COURT  
WASHINGTON UNIT  
CIVIL DIVISION

2014 JUL -9 A 9:50

IN RE: SHELBURNE COUNTRY STORE )  
WEBSITE )

CIVIL DIVISION

Docket No. 4257-14Wmcv

**ASSURANCE OF DISCONTINUANCE**

Vermont Attorney General William H. Sorrell ("the Attorney General") and Mayfield, Inc. d/b/a Shelburne Country Store ("Respondent" or "Shelburne Country Store") hereby agree to this Assurance of Discontinuance ("Assurance") pursuant to 9 V.S.A. § 2459.

**BACKGROUND**

1. Respondent Mayfield, Inc. d/b/a Shelburne Country Store is a corporation incorporated under the laws of Vermont, with its principal place of business in Shelburne, Vermont. Shelburne Country Store is both a retail outlet and a website that sells gifts, housewares, and edibles, among other items.

2. On or about November 13, 2013, the Shelburne Country Store website suffered a data security breach ("the breach") in which the coding of the website was compromised and credit card information was diverted to unknown individuals. Shelburne Country Store's retail outlet was not affected by the security breach.

3. On January 9, 2014, Respondent was informed of the breach by a non-law enforcement third-party who had discovered the breach during an unrelated investigation.

4. Within two days of receiving this information, Respondent repaired the breach on January 11, 2014.

5. Between November 13, 2013 and January 11, 2014, the Shelburne Country Store website processed 770 credit card payments made by 721 individual customers (“affected consumers”).

6. On March 18, 2014, the Vermont Attorney General’s Office became aware of the breach and contacted the Shelburne Country Store.

7. Prior to being contacted by the Vermont Attorney General’s Office (the “Office”), Shelburne Country store made no efforts to notify affected consumers of the data breach, to notify the Vermont Attorney General of the data breach, or to notify any law enforcement agency.

8. After being contacted by the Office, Shelburne Country Store (“SCS”) sent notice to affected consumers on March 19, 2014. In such notice, SCS voluntarily offered each consumer a complimentary one year subscription to All-Clear ID, an Identity Protection Service.

9. The Vermont Attorney General alleges that, absent its intervention, Respondent did not plan to notify anyone of the data breach.

10. Failure to provide Preliminary Notice to the Attorney General of a Security Breach for more than 14 days is a violation of the Security Breach Notification Act. 9 V.S.A. § 2435(b)(3)(A)(i).

11. Failure to notify consumers of a security breach in the most expedient time possible and without unreasonable delay, but not later than 45 days after discovery or notification of the breach, is a violation of the Security Breach Notification Act. 9 V.S.A. § 2435(b)(1).

12. Although Shelburne Country Store did have password protection, its data was encrypted and it did not store credit card data. Because it did not have systems in place to

monitor unauthorized access to its website code, the code was modified and PII was diverted. After being contacted by the Office, it moved to a Hosted Platform which claims to be PCI compliant and to block access to the website code to prevent future intrusions.

## **INJUNCTIVE RELIEF**

### **Definitions**

13. "Applicable Vermont Law" shall mean Chapter 62 and Chapter 63, Sub-Chapter 1, of Title 9 of the Vermont Statutes Annotated as those chapters may from time to time be amended.

14. "Consumer" shall mean any person who has purchased merchandise from Shelburne Country Store and whose Personally Identifiable Information has been obtained and/or collected by Shelburne Country Store.

15. "Effective Date" shall mean the date on which Shelburne Country Store receives a copy of this Assurance duly executed in full by Shelburne Country Store and the Vermont Attorney General.

16. "Personally Identifiable Information" shall have the same meaning as defined in 9 V.S.A. §2430(5).

17. "Transaction" shall mean an instance in which a Consumer has purchased merchandise using a credit or debit card from Shelburne Country Store.

### **Information Security Program**

18. By no later than one hundred and twenty (120) days after the Effective Date of this Assurance, Respondent shall implement and maintain a comprehensive Information Security Program designed to maintain the security, confidentiality, and integrity, of Personally

Identifiable Information. An information Security Program that complies with either of the following standards will be considered to satisfy this requirement:

- a. the Payment Card Industry Data Security Standards ("PCI DSS"), as it shall from time to time be amended, *available at* [https://www.pcisecuritystandards.org/documents/PCI\\_DSS\\_v3.pdf](https://www.pcisecuritystandards.org/documents/PCI_DSS_v3.pdf); and
- b. the data security standards set forth in the Commonwealth of Massachusetts Standards for the Protection of Personal Information of Residents of the Commonwealth, 201 CMR 17.02-04 ("Massachusetts Standards"), and any amendments thereto, *available at* <http://www.mass.gov/ocabr/docs/idtheft/201cmr1700reg.pdf>.

19. Respondent has complied with this section by moving its website to BigCommerce as a Hosting platform. BigCommerce represents that it hosts websites on Type II certified servers which are PCI compliant and has its network independently audited every three months for PCI compliance. BigCommerce further represents that individuals (including the respondent) will not have access to the website code.

20. Respondent shall have the continuing responsibility to implement and maintain a comprehensive Information Security Program that is reasonably designed to protect the security, confidentiality, and integrity of Personally Identifiable Information, as set forth therein.

#### **Legal Compliance Program**

21. Within one hundred and twenty (120) days of the Effective Date of this Assurance, Respondent shall engage in a full audit of its policies and procedures to ensure that it is complying with Applicable Vermont Law.

22. Respondent shall implement policies and procedures to ensure continued compliance with Applicable Vermont Law, including but not limited to procedures for notifying the Attorney General and Consumers in the event of a future security breach.

23. Respondent shall report any future potential security breach to the Attorney General in the most expedient time possible and in compliance with Vermont's Data Breach Notification Act.

24. This Legal Compliance Program shall include training as appropriate of all officers, managers, and employees of Shelburne Country Store of their roles and responsibilities in ensuring that Shelburne Country Store complies with this Assurance and Applicable Vermont Law.

25. All officers and managers of Shelburne Country Store shall be provided with a copy of this Assurance of Discontinuance and be required to read it as part of the Legal Compliance Program.

26. Respondent shall comply with all provisions of Applicable Vermont Law pertaining to data security.

#### **PENALTY**

27. Respondent shall pay a civil penalty of three thousand dollars (\$3,000) within ten days of the Effective Date of this Assurance. Respondent shall make payment to the "State of Vermont" and send payment to: Ryan Kriger, Assistant Attorney General, Office of the Attorney General, 109 State Street, Montpelier, Vermont 05609.

#### **ACCESS TO RECORDS**

28. To determine or secure compliance with this Assurance of Discontinuance, on reasonable notice given to Respondent, subject to any lawful privilege:

a. Duly authorized representatives of the Attorney General shall be permitted access during normal office hours to inspect and copy all books, ledgers, accounts, correspondence, memoranda and other documents and records relating to the subject matter of this Assurance in the possession, custody, or control of Respondent, which may have counsel present.

b. If requested, Respondent shall submit written reports, under oath if requested, with respect to any matters contained in this Assurance.

### **OTHER TERMS**

29. Shelburne Country Store agrees that this Assurance of Discontinuance shall be binding on Shelburne Country Store, its principals and officers.

30. The Attorney General hereby releases and discharges any and all claims relating to the activities described in this Assurance of Discontinuance.

31. The Superior Court of the State of Vermont, Washington Unit, shall have Jurisdiction over this Assurance and the parties hereto for the purpose of enabling any of the parties hereto to apply to this Court at any time for orders and directions as may be necessary or appropriate to carry out or construe this Assurance of Discontinuance, to modify or terminate any of its provisions, to enforce compliance, and to punish violations of its provisions.

32. A future data security breach of Shelburne Country Store shall not, alone, be evidence that Respondent violated this Assurance of Discontinuance.

### **STIPULATED PENALTIES**

33. If the Superior Court of the State of Vermont, Washington Unit enters an order finding Respondent to be in violation of this Assurance of Discontinuance as it relates to the

Security Breach Notice Act, then the parties agree that penalties to be assessed by the Court for each act in violation of this Assurance shall be \$5,000. For purposes of this Section VIII, the term "each act" shall mean: each violation of 9 V.S.A. §§ 2435, 2451-2480, or each day past any appropriate deadline in this Assurance or in the Security Breach Notice Act during which Shelburne Country Store fails to notify the Attorney General and Consumers of a breach.

#### **NOTICE**

34. Respondent may be located at:

29 Falls Rd, Shelburne, VT 05482

35. Respondent shall notify the Attorney General of any change of business name or address within 30 business days.

Office of the  
ATTORNEY  
GENERAL  
109 State Street  
Montpelier, VT  
05609

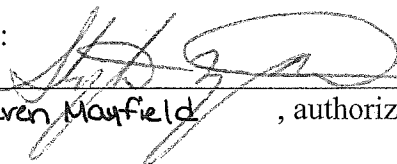
## SIGNATURE

In lieu of instituting an action or proceeding against Shelburne Country Store, the Office of the Attorney General, pursuant to 9 V.S.A. § 2459, accepts this Assurance of Discontinuance. By signing below, Respondent voluntarily agrees with and submits to the terms of this Assurance of Discontinuance.

DATED at Burlington, VT, this 2<sup>nd</sup> day of July, 2014.

Shelburne Country Store

By:

  
Steven Mayfield, authorized agent

Office of the  
ATTORNEY  
GENERAL  
109 State Street  
Montpelier, VT  
05609



ACCEPTED on behalf of the Attorney General:

DATED at Montpelier, Vermont this 8<sup>th</sup> day of July, 2014.

STATE OF VERMONT

WILLIAM H. SORRELL  
ATTORNEY GENERAL

By:



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