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PRESS RELEASE

Attorney General Frosh Announces Settlement with Adobe Systems, Inc. Over 2013 Data Breach

BALTIMORE, MD (November 10, 2016) - Attorney General Brian E. Frosh today announced a multistate settlement with the software company Adobe Systems, Inc. to resolve an investigation into the 2013 data breach of certain Adobe servers, including servers containing the personal information of approximately 552,000 residents of the participating states. Those servers contained the personal information of 46,465 Marylanders. Under the terms of the settlement, Adobe will pay \$1 million to the participating states.

"Reasonable security measures must be implemented to maintain the safety and security of consumers' personal information," said Attorney General Frosh. "As a result of this agreement, Adobe has agreed to bolster its security to prevent another similar occurrence."

The Attorneys General alleged that in September 2013, Adobe received an alert that the hard drive for one of its application servers was nearing capacity. In responding to the alert, Adobe learned that an unauthorized attempt was being made to decrypt encrypted customer payment card numbers maintained on the server. Adobe stopped the decryption process, disconnected the server from the network, and found the attacker had compromised a public-facing web server and used it to access other servers on Adobe's network. The Attorneys General alleged that the attacker ultimately stole encrypted payment card numbers and expiration dates, names, addresses, telephone numbers, e-mail addresses, and usernames as well as other data.

The Attorneys General alleged that Adobe did not use reasonable security measures to protect its systems from an attack or have proper measures in place to immediately detect an attack. The agreement resolves consumer protection and privacy claims against the company and requires Adobe to implement new policies and practices to prevent future similar breaches, including employing tokenization of payment card information, segregating payment card information from access by public-facing servers, performing ongoing penetration testing, performing ongoing risk assessments of its security practices, and maintaining a process that will alert if its exfiltration reporting sources fail to operate properly.

In addition to Maryland, the states that participated in the investigation and joined the agreement include Arkansas, Connecticut, Illinois, Indiana, Kentucky, Massachusetts, Missouri, Minnesota, Mississippi, North Carolina, Ohio, Oregon, Pennsylvania and Vermont.

In making today's announcement, Attorney General Frosh thanked Assistant Attorney General Richard Trumka, Jr. for his work on the case.