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The contents of the sample breach letter pertain to the following economic and social science theories. As far as economic theories are concerned in relation to the letter, information asymmetry and transaction cost economics. The information asymmetry between the company and the customer, in which the customer did not receive information about the risk until much later, may harm trust in the service provider and affect their revenue and reputation. Additionally, transaction cost economics pertain to the letter because of the costs incurred due to the breach, whether it be from harm done to their reputation as previously mentioned, or the cost of investigation, risk assessment, and the enforcement of contracts. As for social science theories, the social contract and structural functionalism both apply. The social contract theory just applies to most customers and businesses, in which there is an implicit contract that the users’ personal data will be handled securely during and after any transactions made. Structural functionalism also applies since the breach of one segment of the company caused instability in the entirety of it.