

Akin Gump

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November 9, 2016

New Hampshire Office of the Attorney General Consumer Protection and Antitrust Bureau 33 Capitol Street Concord, NH 03301 DOJ-CPB@doj.nh.gov

Re: Data Security Breach at Honig's Whistle Stop

To the New Hampshire Attorney General's Office:

We are contacting you on behalf of our client, Honig's Whistle Stop ("Honig's"), about a data security incident that occurred between August 4, 2016 and August 30, 2016 and may have involved the personal information of approximately 12 residents of New Hampshire who were customers of Honig's. The incident involved an outside source uploading a malicious file on Honig's website that collected information entered on our customer order form. The forensic and FBI investigation into this event is ongoing, and to the extent new material facts are uncovered, we will supplement our notice to you. We have notified New Hampshire residents of this data breach. Please note that in submitting this notice, Honig's does not waive any rights or defenses regarding the applicability of New Hampshire law or personal jurisdiction.

What Happened

On October 5, 2016, Honig's confirmed through forensic investigators that its website had been breached. The incident involved an outside source hacking into and accessing certain electronic information that is maintained by Honig's, located in Ann Arbor, Michigan. The Company is investigating the incident and at this point has determined that the potentially exposed information in this incident included customer name, credit or debit card number, card expiration date, CVV, and email address, account number, password, billing address and phone number, and shipping address.

Honig's immediately contacted law enforcement after learning of the possible intrusion. The investigation included a review of internal security systems to confirm that procedures already in place are strengthened to further safeguard against a breach of data security in the future. Honig's contacted a third-party, Kroll, who assisted with identifying locations for the



November 9, 2016 Page 2

impacted individuals and who gathered their contact information into a consistent format for notification. This investigation was a time-consuming process, but Honig's believed it was necessary to ensure appropriate precautions and next steps were taken.

Steps to Protect Your State Residents

Honig's provided all potentially affected New Hampshire residents with written notice of the incident on or about November 8, 2016. A copy of that notice is attached, excluding any identifying information. Honig's is also providing access to free identity theft protection, credit monitoring, identity theft consultation and restoration for one year for affected individuals, and information on how to protect against identity theft and fraud. The notification letter sent to consumers contains instructions on how to activate these services through Kroll. Honig's is also providing written notice of this incident to other state regulators and to the national consumer reporting agencies.

Honig's has already implemented additional security measures designed to prevent a recurrence of the breach, and to protect the privacy of Honig's valued customers. These additional security measures include, but are not limited to, removing the malicious code and patching the security flaw, re-issuing administrative credentials, closely monitoring our website for any suspicious activity, tokenization of all credit card data so that even employees do not have access to customer credit card details, migrating the website to a new system hosted by a PCI-compliant third party specialist. Honig's will be transitioning to a third-party hosted payment system in the coming weeks to provide even further protection to our valued customers. Honig's continues to retain an independent third party to complete its quarterly PCI scans.

If you have any further questions regarding this incident, please do not hesitate to contact me either by telephone at (214) 969-2713, or by email at mreed@akingump.com.

Sincerely,

Michelle A. Reed

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Enclosure