

STATE OF NH Suite 2800
DEPT OF JUSTICE Raleigh, NC 27601
2016 NOV -7 PM 12: 24

November 3, 2016

Office of the Attorney General Consumer Protection and Antitrust Bureau 33 Capitol Street Concord, NH 03301

Re: National Wholesale Company, Inc., Lexington, NC- Data Breach

Dear Sir or Madam:

We represent National Wholesale Company, Inc. ("National Wholesale) and, on its behalf, are writing to notify you of a data breach. National Wholesale is located at 400 National Blvd., Lexington, NC 27292. On October 14, 2016, National Wholesale discovered that malicious software was inserted into its e-commerce website. National Wholesale immediately removed the malicious software, began an investigation, and engaged third party IT contractors to assist. The malicious software was re-inserted on Saturday, October 15, 2016; it was immediately identified and removed. Since October 15, 2016, National Wholesale's e-commerce site has been free from any malicious software.

Findings from the investigation show that the malicious software enabled unauthorized users to monitor the input of customer information when placing an online order during check-out. If a customer placed an order on the National Wholesale website from September 1, 2016 through October 15, 2016, information associated with the order being placed, including the customer's name, address, phone number, email address, payment card number, expiration date and security code (CVV) may have been obtained by an unauthorized third-party. If an order was placed using an existing National Wholesale customer during that same time period, a customer's username and password may have also been exposed. National Wholesale has identified 14,281 individuals whose information may have been compromised; of these, 96 are New Hampshire residents.

National Wholesale is PCI certified and does not receive or retain customer credit card information as part of an order, instead contracting with Vantiv PayPage to receive and process credit card information.

We are attaching for your reference a copy of our customer notification letter; it is our intention to mail a copy of the enclosed to affected individuals within the next five (5) business days. If you have any comments or concerns with respect to the attached letter, please contact me at your earliest convenience.

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If you have any questions, please do not hesitate to contact me. My direct dial number is (919) 755-8713. Thank you for your assistance.

Very truly yours,

Smith Moore Leatherwood LLP

Marca. M

Marc C. Tucker

Enclosure