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STATE OF NH DEPT OF JUSTICE 2016 JUL -5 PM 12: 59

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June 28, 2016

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### INTENDED FOR ADDRESSEE(S) ONLY

Attorney General Joseph Foster Office of the New Hampshire Attorney General Attn: Security Breach Notification 33 Capitol Street Concord, NH 03301

Re:

Notice of Data Event

Dear Mr. Foster:

We represent Noodles & Company, 520 Zang St Suite D, Broomfield, CO 80021 and are writing to notify your office of an incident that may affect the security of personal information relating to certain New Hampshire residents. While there are no affected Noodles & Company locations in New Hampshire, and we are unable to determine whether any New Hampshire residents are impacted by this incident, we are submitting notice of this incident to your office out of an abundance of caution. The investigation into this event is ongoing, and this notice will be supplemented with any new significant facts learned subsequent to its submission. By providing this notice, Noodles & Company does not waive any rights or defenses regarding the applicability of New Hampshire law or personal jurisdiction.

#### Nature of the Data Event

On May 17, 2016, Noodles & Company began investigating unusual activity its credit card processor reported to the Company. Noodles & Company immediately began working with third-party forensic experts to investigate these reports and to identify any signs of compromise on its computer systems. On June 2, 2016, Noodles & Company discovered suspicious activity on its computer systems that indicated a potential compromise of guests' debit and credit card data for some debit and credit cards used at certain Noodles & Company locations.

Since that time, Noodles & Company has been working with third-party forensic investigators to determine how the security compromise occurred and what information was affected. The Company

has confirmed that malware may have stolen data from some credit and debit cards used at certain Noodles & Company locations The Company is also working to implement additional procedures to better secure guests' debit and credit card information, including removing the malware at issue to contain this incident and to prevent any further unauthorized access to guests' debit or credit card information.

Credit and debit cards used at the affected locations are no longer at risk from the malware involved in this incident. Guests can safely use their credit and debit cards at Noodles & Company locations.

#### Notice to New Hampshire Residents

Through the ongoing third-party forensic investigations, Noodles & Company confirmed that malware may have stolen credit or debit card data from some credit and debit cards used at certain Noodles locations between January 31, 2016 and June 2, 2016. The information at risk as a result of this event includes the cardholder's name, card number, expiration date, and CVV. Noodles & Company is unable to determine, however, which specific cardholder's credit and debit card information may have been stolen. Further Noodles & Company does not have sufficient contact information for guests who may potentially be affected by this incident. Therefore, Noodles & Company is unable to determine the precise number of New Hampshire residents impacted by this incident or provide written notice of this event to these individuals. Noodles & Company is providing substitute notice to those New Hampshire residents impacted by this incident by issuing a press release to prominent media outlets serving New Hampshire and by conspicuously posting a link to a copy of this press release on the homepage of its website. The press release issued by Noodles & Company relating to this matter is attached hereto as *Exhibit A*. A screenshot of the Noodles & Company homepage is attached hereto as *Exhibit B*.

#### Other Steps Taken and To Be Taken

Noodles & Company is working with the United States Secret Service to investigate this incident. Noodles & Company has established a dedicated hotline for individuals to contact with questions or concerns regarding this incident. Additionally, Noodles & Company is providing potentially impacted individuals with helpful information on how to protect against identity theft and fraud, including how to place a fraud alert and security freeze on one's credit file, the contact information for the national consumer reporting agencies, how to obtain a free credit report, a reminder to remain vigilant for incidents of fraud and identity theft by reviewing account statements and monitoring free credit reports, and encouragement to contact the Federal Trade Commission, state attorney general, and law enforcement to report attempted or actual identity theft and fraud. Noodles & Company is also providing written notice of this incident to other state regulators and the national consumer reporting agencies as necessary.

#### **Contact Information**

Should you have any questions regarding this notification or other aspects of the data security event, please contact us at 215-977-4068.

Very truly yours,

Ryan C. Loughlin of

LEWIS BRISBOIS BISGAARD & SMITH LLP

RCL

# Exhibit A

#### Noodles & Company Provides Notice of Data Security Incident

**Broomfield, Colorado, June 28, 2016** – Noodles & Company (NASDAQ: NDLS) today announced that a recent data security incident may have compromised the security of payment information of some guests who used debit or credit cards at certain Noodles & Company locations between January 31, 2016 and June 2, 2016. Credit and debit cards used at the affected locations are no longer at risk from the malware involved in this incident.

What Happened? On May 17, 2016, Noodles & Company began investigating unusual activity its credit card processor reported to the Company. Noodles & Company immediately began working with third-party forensic experts to investigate these reports and to identify any signs of compromise on its computer systems. On June 2, 2016, Noodles & Company discovered suspicious activity on its computer systems that indicated a potential compromise of guests' debit and credit card data for some debit and credit cards used at certain Noodles & Company locations.

Since that time, Noodles & Company has been working with third-party forensic investigators to determine how the security compromise occurred and what information was affected. The Company is also working to implement additional procedures to further secure guests' debit and credit card information, including removing the malware at issue to contain this incident and to prevent any further unauthorized access to guests' debit or credit card information.

Credit and debit cards used at the affected locations are no longer at risk from the malware involved in this incident. Guests can safely use their credit and debit cards at Noodles & Company locations. Noodles & Company is working with the United States Secret Service to investigate this incident. This notice has not been delayed by law enforcement.

What Information Was Involved? Through the ongoing third-party forensic investigations, Noodles & Company confirmed that malware may have stolen credit or debit card data from some credit and debit cards used at certain Noodles & Company locations between January 31, 2016 and June 2, 2016. The information at risk as a result of this event includes the cardholder's name, card number, expiration date, and CVV. A list of impacted Noodles & Company locations is available at <a href="www.noodles.com/security">www.noodles.com/security</a>. This incident did not involve online debit or credit card transactions at <a href="www.noodles.com">www.noodles.com</a>. This incident did not involve guests' Social Security numbers as this information is never collected by Noodles & Company.

What We Are Doing. "Noodles & Company takes the security of our guests' information extremely seriously, and we apologize for the inconvenience this incident has caused our guests," Kevin Reddy, Chairman and Chief Executive Officer of Noodles & Company, stated. Reddy expanded, "We continue to work with third-party forensic investigators and law enforcement officials to ensure the security of our systems on behalf of our guests."

For More Information. Noodles & Company has established a dedicated assistance line for individuals seeking additional information regarding this incident. Guests can call 888-849-1067, 9 a.m. to 9 p.m. EDT, Monday through Friday (excluding U.S. holidays). Guests can also find

information on this incident and what they can do to better protect against fraud and identity theft at www.noodles.com/security.

What You Can Do. Noodles & Company encourages all guests to remain vigilant against identity theft by reviewing their financial account statements regularly and monitoring their credit reports for suspicious activity. Guests should immediately report any unauthorized charges to their card issuer. The phone number to call is usually on the back of the credit or debit card. Under U.S. law, guests over the age of 18 are entitled to one free credit report annually from each of the three major credit bureaus. To order a free credit report, visit <a href="https://www.annualcreditreport.com">www.annualcreditreport.com</a> or call, toll-free, 1-877-322-8228. Guests may also contact the three major credit bureaus directly to request a free copy of their credit report.

Noodles & Company encourages guests who believe they may be affected by this incident to take additional action to further protect against possible identity theft or other financial loss. At no charge, guests can have these credit bureaus place a "fraud alert" on their file, alerting creditors to take additional steps to verify their identity prior to granting credit in their name. Note, however, that because it tells creditors to follow certain procedures to protect the guest, a fraud alert may also delay guests' ability to obtain credit while the agency verifies their identity. As soon as one credit bureau confirms a guest's fraud alert, the others are notified to place fraud alerts on the guest's file. Should guests wish to place a fraud alert or have any questions regarding their credit reports, they may contact any one of the agencies listed below.

Equifax	Experian	TransUnion
P.O. Box 105069	P.O. Box 2002	P.O. Box 2000
Atlanta, GA 30348	Allen, TX 75013	Chester, PA 19022-
2000		
800-525-6285	888-397-3742	800-680-7289
www.equifax.com	www.experian.com	www.transunion.com

Guests may also place a security freeze on their credit reports. A security freeze prohibits a credit reporting agency from releasing any information from a guest's credit report without the consumer's written authorization. However, guests should be aware that placing a security freeze on their credit reports may delay, interfere with or prevent the timely approval of any requests they make for new loans, credit mortgages, employment, housing, or other services. If a guest has been a victim of identity theft and provides a credit reporting agency with a valid police report, the agency cannot charge the guest to place, lift or remove a security freeze. In all other cases, a credit reporting agency may charge a fee to place, temporarily lift or permanently remove a security freeze. Guests will need to place security freezes separately with each of the three major credit bureaus listed above if they wish to place a freeze on all of their credit files. To find out more about how to place a security freeze, guests can contact the credit reporting agencies using the information below:

Equifax Security Freeze	Experian Security Freeze	TransUnion Fraud Victim
P.O. Box 105788	P.O. Box 9554	Assistance
Atlanta, GA 30348	Allen, TX 75013	P.O. Box 2000
1-800-685-1111	1-888-397-3742	Chester, PA 19022

(NY residents please call 1-800-349-9960) http://www.equifax.com/help/credit-freeze/en\_cp https://www.experian.com/freeze/center.html

Fraud Division 888-909-8872 http://www.transunion.com /credit-freeze/place-creditfreeze

Guests can further educate themselves regarding identity theft, fraud alerts and the steps they can take to protect themselves, by contacting the Federal Trade Commission or their state attorney general. For North Carolina residents, the Attorney General can be contacted at 9001 Mail Service Center, Raleigh, NC 27699-9001, 1-919-716-6400, <a href="www.ncdoj.gov">www.ncdoj.gov</a>. For Maryland residents, the Attorney General can be contacted at 200 St. Paul Place, 16<sup>th</sup> Floor, Baltimore, MD 21202, 1-888-743-0023, <a href="www.oag.state.md.us">www.oag.state.md.us</a>. And the Federal Trade Commission can be reached at 600 Pennsylvania Avenue NW, Washington, D.C. 20580, <a href="www.ftc.gov/idtheft/">www.ftc.gov/idtheft/</a>, 1-877-ID-THEFT (1-877-438-4338); TTY: 1-866-653-4261. The Federal Trade Commission also encourages those who discover that their information has been misused to file a complaint with the Commission. Guests can obtain further information on how to file such a complaint by way of the contact information listed above. Instances of known or suspected identity theft should also be reported to law enforcement.

#### **About Noodles & Company**

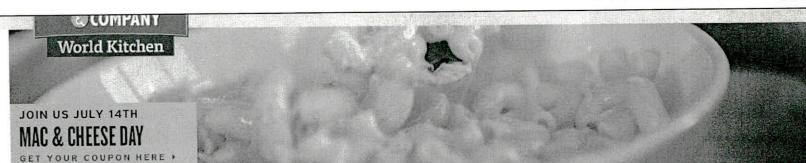
Noodles & Company is a fast-casual restaurant chain where its globally inspired dishes come together to create a World Kitchen. Recognized by *Parents Magazine* as a Top Family Friendly Restaurant, and *Health Magazine* as one of America's Healthiest Fast Food Restaurants, Noodles & Company is a restaurant where Japanese Pan Noodles rest comfortably next to Penne Rosa and Wisconsin Mac & Cheese, but where world flavors don't end at just noodles. Inspired by some of the world's most celebrated flavor combinations, Noodle & Company's menu offers soups, salads, sandwiches and shareables, too. Everything is made fresh to order, just as you like it, using quality ingredients. Dishes are delivered to the table allowing guests time to sit and relax or grab a quick bite. With more than 500 locations nationwide, from California to Connecticut, guests can find a location nearest them and take a tour of the global World Kitchen menu by visiting <a href="www.noodles.com">www.noodles.com</a>.

Contacts:

Media
Erin Murphy
720.214.1900
Press@noodles.com

Investor Relations investorrelations@noodles.com

## Exhibit B







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**NOODLE LOVE** 





NOTICE OF