

June 20, 2017

Via email: consumer@iowa.gov

Consumer Protection Division
Security Breach Notifications
Office of the Attorney General of Iowa
305 E. Walnut Street
Des Moines, Iowa 50319-0106

Re: *Kayser-Roth Corporation, Greensboro, NC – Notice of Breach of Customer Information*

Dear Sir or Madam:

We represent Kayser-Roth, Inc., (“Kayser-Roth”) and on its behalf, are writing to notify you of a third party’s data breach that has affected its customers. Kayser-Roth is located at 102 Corporate Center Blvd., Greensboro, NC 27408. Kayser-Roth owns two websites, Hue.com (“Hue”) and Nononses.com (“Nononsense”), which use software provided, owned, and operated by Aptos Inc., (“Aptos”) to process their online orders. From February 2016 through December 2016 Aptos experienced a data breach. During that entire period of time, Hue and Nononsense used Aptos as their third party vendor to process their online orders. As a result, Kayser-Roth customers who placed an order on Hue or Nononsense from February 2016 through December 2016 may have had their personal information compromised.

The data breach compromised Aptos’ digital commerce solution. Aptos’ digital commerce solution was formerly known as Shop Visible digital commerce application. Due to the breach, unauthorized users gained access to Kayser-Roth’s customers’ names, addresses, phone numbers, email addresses and payment card information as those customers made transactions on Aptos’ platforms. The unauthorized users also gained access to payment card data for inactive payment cards no longer in use. The unauthorized users did not gain access to any debit card PIN numbers, credit card CVV codes, or any other type of payment card access code or password for Kayser-Roth customers. Also, no social security numbers for Kayser-Roth customers were disclosed.

Aptos did not notify Kayser-Roth of Aptos’ breach until February 6, 2017. At that time Aptos informed Kayser-Roth that information from a total of 90,548 customers, of which 547 were Iowa residents, may have been improperly accessed. Aptos has worked with the FBI Cyber division and the U.S. Department of Justice to investigate Aptos’ data breach. Aptos received an

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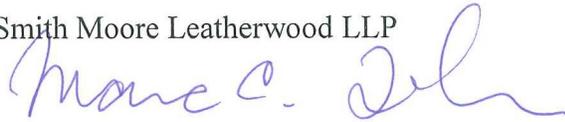
official request from the FBI to delay disclosure to its clients for a minimum of 60 days while the FBI was conducting its investigation. Aptos complied with the FBI's official request to delay disclosure. Aptos also engaged the forensic cybersecurity firm Madiant to help stop and stop and remove the malicious software that caused Aptos' data breach. The data breach has been remedied and Aptos has taken measures to prevent a data breach such as this one from occurring again. In addition, Kayser-Roth has notified all three major credit reporting agencies, Equifax, TransUnion, and Experian, of Aptos' breach.

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.

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



Marc C. Tucker

Enclosure