Charles Krug Winery Aura Bland Vice President, Direct to Consumer Sales 2800 Main St. St. Helena, CA 94574

June 10, 2015

Dear [INDIVIDUAL NAME]:

Thank you for your continued support of Charles Krug Winery and your passion for our wines.

We greatly value your business and respect the privacy of your information, which is why we are writing to inform you that our consumer direct sales systems provider, Missing Link Networks, Inc., ("Missing Link") notified us on May 27, 2015, of a security incident involving credit and debit card data. Missing Link has advised us that during the window of April 1, 2015 to April 30, 2015, a third party might have gained access to certain personal information, including customer names, card numbers, related payment addresses, passwords, and dates of birth. We are working proactively and aggressively with Missing Link to address the issue. Missing Link has notified the credit and debit card companies and supplied them detailed information on the affected accounts, and we've been assured that these accounts are being monitored for fraud. They have also assured us that the security breach has been contained, and customers may safely use their credit and debit cards.

That said, it has been recommended we advise you to log into your Charles Krug account and update your password. We also encourage you to monitor your credit and debit card accounts and notify your bank if you notice any suspicious activity. It should be noted that Charles Krug is only one of many Missing Link clients that have been affected, so it's possible that you may receive similar notifications from other wineries.

To date, we have not received any customer notifications regarding fraudulent activity. Additionally, Missing Link Networks has taken aggressive action to upgrade its security, including making a sizable investment in system enhancements.

We highly value the privacy and security of your information, so we encourage you to consult the attached information concerning additional steps you can take to protect your credit, your accounts, and your identity; you also should notify your credit card company or financial institution to determine what additional security or other protective measures can be placed on your account, or if you notice any suspicious activities. In addition, Missing Link offers you a number of options to protect your information. Complete details on Missing Link's initial notification and any public updates regarding the ongoing investigation are on its website at www.eccellar1.com/faq. Missing Link has also suggested Identity Theft Resource Center (ITRC) as a resource for customers, which has represented it will provide toll-free, no-cost counseling to help resolve fraudulent charges and provide support and counseling in the instance of identity theft, if any. Please contact itrac.com/faq. Missing Link has also suggested Identity Theft Resource Center (ITRC) as a resource for customers, which has represented it will provide toll-free, no-cost counseling to help resolve fraudulent charges and provide support and counseling in the instance of identity theft, if any. Please contact itrac.com/faq. Missing Link has also suggested Identity Theft Resource Center (ITRC) as

We sincerely apologize for any inconvenience that this incident may cause you. If you have any further questions please email us at Notice@CharlesKrug.com or call us at 707-967-2230. This type of incident has become all too common in our culture, and we look forward to putting it behind us and getting on with the joy of celebrating life with friends and family over a great glass of wine!

Sincerely,

Aura Bland Vice President Direct to Consumer Sales

ADDITIONAL INFORMATION

Review Your Account Statements and Notify Law Enforcement of Suspicious Activity

We recommend that you contact your credit or debit card issuer to determine whether a new card should be issued and whether additional levels of security or protective measures should be placed on the account. We also recommend that you remain vigilant by reviewing your account statements and credit reports closely, and that you should not provide personal information in response to suspicious emails, especially including those from an unknown source/sender. If you detect any suspicious activity on an account, you should promptly notify the financial institution or company with which the account is maintained. You should also promptly report any fraudulent activity or any suspected incidence of identity theft to proper law enforcement authorities, your state attorney general, and/or the Federal Trade Commission. In Massachusetts, you have the right to obtain a police report if you are a victim of identity theft.

Copy of Credit Report

You may obtain a free copy of your credit report from each of the three major credit reporting agencies once every 12 months by visiting http://www.annualcreditreport.com, calling toll-free 877-322-8228, or by completing an Annual Credit Report Request Form and mailing it to Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348. The FTC advises that you do not contact the three nationwide credit reporting companies individually, because they are providing free annual credit reports only through www.annualcreditreport.com, 1-877-322-8228 or mailing to Annual Credit Report Request Service.

Upon receipt of your credit report, we recommend that you review the "inquiries," section for names of any creditors from whom you have not requested credit, and the "personal information," section for any inaccuracies. Any unusual activity or information could be a sign of potential identify theft. If you observe such information, contact the credit bureau listed at the top of the report. Your credit report will be reviewed by the bureau staff with you, and if any information cannot be explained, you may need to contact the creditors involved

Contact information for the three national credit reporting agencies is below:

Equifax	Experian	TransUnion
P.O. Box 740241	P.O. Box 2104	P.O. Box 2000
Atlanta, Georgia 30374	Allen, TX 75013	Chester, PA 19022
1-800-685-1111 (general)	1-888-397-3742	1-800-888-4213 (general)
1-888-766-0008 (fraud alert)	www.experian.com	1-800-680-7289 (identity theft and
1-800-685-1111 (security freeze)		fraud)
www.equifax.com		www.transunion.com

Fraud Alert

You may also want to consider placing a fraud alert on your credit report. An initial fraud alert is free and will state on your credit file for at least 90 days. The alert informs creditors of possible fraudulent activity within your report and requests that the creditor contact you prior to establishing any accounts in your name. To place a fraud alert on your credit report, contact any of the three credit reporting agencies identified above.

Security Freeze

In some U.S. states, you have the right to put a security free on your credit file. This will prevent new credit from being opened in your name without the use of a PIN number that is issued to you when you initiate the freeze. A security freeze is designed to prevent potential creditors from accessing your credit report without your consent. As a result, using a security freeze may interfere with or delay your ability to obtain credit. You must separately place a security freeze on your credit file with each credit reporting agency. Additionally, if you request a security freeze from a consumer reporting agency there may be a fee of up to \$5 to place, lift, or remove the security freeze. In order to place a security freeze, you may be required to provide the consumer reporting agency with information that identifies you including your full name, Social Security number, date of

birth, current and previous addresses, a copy of your state-issued identification card, and a recent utility bill, bank statement or insurance statement.

Additional Free Resources on Identity Theft

Finally, you may wish to review the tips provided by the Federal Trade Commission on how to avoid identity theft. For more information, please visit http://www.ftc.gov/idtheft or call 1-877-ID-THEFT (877-438-4338). A copy of Taking Charge What to Do If Your Identity Is Stolen, a comprehensive guide from the FTC to help you guard against and deal with identity theft, can be found on the FTC's website at http://www.ftc.gov/bcp/edu/pubs/consumer/idtheft/idt04.shtm.

Maryland residents may wish to review information provided by the Maryland Attorney General on how to avoid identity theft at http://www.oag.state.md.us/idtheft, or by sending an email to idtheft@oag.statemd.us, or calling 410-576-6491.

North Carolina residents may wish to review information provided by the North Carolina Attorney General at http://www.ncdoj.gov, by calling 877-566-7226, or writing to 9001 Mail Service Center, Raleigh, NC 27699.