



[Client Name]  
[Client Address]  
[Client Address]

January 29, 2016

Dear Loyal Customer,

We are writing to share with you important information about an incident involving your online account username and password, as well as the steps we are taking in response to this incident, recommended actions for you to take, and the resources we are making available to you.

On or around December 26, 2015, unauthorized individuals began an attempt to access Neiman Marcus Group customers' online accounts on our Neiman Marcus, Bergdorf Goodman, Last Call, CUSP and Horchow websites (collectively, the "NMG websites") by trying various login and password combinations using automated attacks. We suspect this activity was due to large breaches at other companies (not the Neiman Marcus Group), where user login names and passwords were stolen and then used for unauthorized access to other accounts, such as NMG online accounts, where a user may use the same login name and/or password. At present, all indications are that the Neiman Marcus Group database of customer email addresses or passwords remains safe, and that our cyber defenses repelled more than 99% of the attacks.

Unfortunately, the attackers were able to accurately guess the user name and password combinations and access some NMG website online accounts, including your account. The online account the intruders were able to view includes basic contact information, purchase history, and only the last four digits of credit card numbers. No sensitive information, such as Social Security numbers, dates of birth, full financial account numbers, or PIN numbers, is visible through online accounts.

We reviewed each accessed account with care, and our investigation determined that the attackers were able to use a small number of these accounts to make unauthorized purchases from the NMG websites. Our fraud team has detected these unauthorized purchases, and Neiman Marcus has credited the affected customers for the full amount of the unauthorized purchase. As with any suspected fraudulent purchase, no Neiman Marcus Group customer will be required to pay for any unauthorized purchases as a result of this incident. If your account was subject to any fraudulent purchases as a result of this attack, you will already have received notice of the fraud and the appropriate credit to your account.

We strongly recommend that you change your password on all NMG websites, and every other site where you use that same user name and password combination. If you have multiple Neiman Marcus Group accounts, we recommend you change your password on all accounts. The next time you logon to your account, you will be required to reset your password. The most secure passwords are those that are difficult to guess and that are used only at one website.

You should also be wary of “phishing” attacks. Do not click on a link that asks you to log in to your account, change your password, or provide other personal information even if it seems to be from a legitimate site. Never confirm or provide personal information such as passwords or account information to anyone contacting you. Neiman Marcus Group will never send you any unsolicited emails asking you for your account number, password, or other private information.

As always, we encourage you to regularly review your accounts with the Neiman Marcus Group, other financial accounts and credit reports and report any suspicious or unrecognized activity immediately. You should remember to be vigilant and report any suspected incidents of fraud to us or the relevant financial institution.

We take the security of your information very seriously, and regret any inconvenience that this incident has caused you. If you have any questions, please call 1-800-711-7289.

Thank you for your understanding and patience.

Sincerely,

Lindy Rawlinson  
Senior Vice President, eCommerce



Date: January 29, 2016

NOTICE OF DATA BREACH

What Happened?

On or around December 26, 2015, unauthorized individuals began an attempt to access Neiman Marcus Group customers online accounts on our Neiman Marcus, Bergdorf Goodman, Last Call, CUSP and Horchow websites (collectively, the NMG websites) by trying various login and passwords combinations using automated attacks. At present, all indications are that the Neiman Marcus Group database of customer email addresses or passwords remains safe. Nothing indicates that any Neiman Marcus database containing customer email addresses or passwords has been compromised. The attackers were able to accurately guess the user name and password combinations and access approximately 5,200 Neiman Marcus Group online accounts and the attackers were able to use approximately 70 of these accounts to make unauthorized purchases from the NMG websites. Our fraud team detected these unauthorized purchases, and the Neiman Marcus Group has credited the affected customers for any unauthorized purchase.

What Information Was Involved?

Usernames and passwords for NMG website online accounts. Customer online accounts contain the following types of information:

- Customer Name
- Saved contact information such as mailing addresses or phone numbers
- Last four digits of any saved credit card number
- Purchase history

No sensitive information, such as Social Security numbers, dates of birth, full financial account numbers, or PIN numbers, was accessed.

What We Are Doing.

We initiated a comprehensive response and investigation to understand the scope of the incident, and it appears that our defense functioned as designed during the attack. Our team has taken significant steps to limit the ability of these individuals' ability to access Neiman Marcus accounts. Our fraud team has also worked to identify and credit affected customers for the full amount of the unauthorized purchases.

What You Can Do.

We strongly recommend that you change your password on all NMG websites, and every other site where you use that same user name and password combination. If you have multiple Neiman Marcus Group accounts, we recommend you change your password on all accounts. The next time you logon to your account, you will be required to reset your password. As always, we encourage you to regularly review your Neiman Marcus Group accounts and other financial accounts and report any suspicious or unrecognized activity immediately.

For More Information.

If you have any questions, please call 1-800-711-7289.