

**North Carolina Security Breach Reporting Form
Pursuant to the Identity Theft Protection Act of 2005**

Name of Business Owning or Licensing Information Affected by the Breach: Nestle Waters North America Inc.
Address: 777 West Putnam Ave.
Greenwich, CT 06830
Telephone: 203-863-0534
Fax: 203-863-0250
Email: yun.au@waters.nestle.com

PLEASE SUBMIT FORM TO:
Consumer Protection Division
NC Attorney General's Office
9001 Mail Service Center
Raleigh, NC 27699-9001
Telephone: (919) 716-6000
Toll Free in NC: (877) 566-7226
FAX: (919) 716-6050

Date Security Breach Reporting Form submitted: March 14, 2008
Date the Security Breach was discovered: February 11, 2008
Estimated number of affected individuals: 8,374
Estimated number of NC residents affected: 15

Name of business maintaining or possessing information that was the subject of the Security Breach, if the business that experienced the Security Breach is not the same entity as the business reporting the Security Breach (pursuant to N.C.G.S. § 75-65(b)): Systematic Automation Inc.,
Fullerton, California

Describe the circumstances surrounding the Security Breach and state whether the information breached was in electronic or paper format: See attached description

Regarding electronic information breached, state whether the information breached or potentially breached was password protected or encrypted in some manner. Yes If so, please describe the security measures protecting the information: The information was password protected and also kept in a secure location.

Describe any measures taken to prevent a similar Security Breach from occurring in the future: We are evaluating all relationships with third-party vendors that have access to personal information to ensure that data is properly safeguarded.

Date affected NC residents were/will be notified: March 9, 2008 letter

If there has been any delay in notifying affected NC residents, describe the circumstances surrounding the delay pursuant to N.C.G.S. § 75-65(a) and (c): Short delay due to need to complete investigation and to notification logistics

If the delay was pursuant to a request from law enforcement pursuant to N.C.G.S. § 75-65(c), please include the written request or the contemporaneous memorandum.

How NC residents were/will be notified?
(pursuant to N.C.G.S. § 75-65(e))

- written notice
 electronic notice (email)
 telephone notice
 substitute notice

Please attach copy of the notice if in written form or a copy of any scripted notice if in telephonic form.

Signature: J. Henry Walker / MJB Date: March 14, 2008
Contact Person, Title: J. Henry Walker, IV, Attorney
Address: Kilpatrick Stockton LLP
(if different from above) 1100 Peachtree St., Suite 2800, Atlanta, GA 30309
Telephone: 404-815-6500 Fax: 404-815-6555 Email: hwalker@kilstock.com

Systematic Automation Inc. ("SAI"), a Nestle Waters North America ("NWNA") vendor, recently experienced a break-in at their facility in Fullerton, California. Among other things, a desktop computer was stolen that contained sensitive personal information about NWNA employees, including a list of NWNA employees' names, addresses, dates of birth, and social security numbers. This database did not include credit card or bank account information. It only contained information about employees that were on the payroll as of February 1, 2006. The information was kept in an electronic format and was password protected.

Nestlé Waters North America
777 West Putnam Avenue
Greenwich, CT 06830



IMPORTANT NOTICE REGARDING CURRENT AND FORMER NWNA EMPLOYEES' SENSITIVE PERSONAL INFORMATION. PLEASE READ CAREFULLY.



Promotion Code : 30114 [Redacted]

February 28, 2008

An Important Notification To Current and Former NWNA Employees

Systematic Automation Inc. ("SAI"), one of our vendors, recently experienced a break-in at their facility in Fullerton, California. Among other things, a desktop computer was stolen that contained a database of sensitive personal information about NWNA employees, including a list of NWNA employees' names, addresses, dates of birth, and social security numbers. This database did not include credit card or bank account information. It only contained information about employees that were on the payroll as of February 1, 2006. If you were not on the payroll at that time, your information was not included in the database. The information was password protected, but was not in an encrypted format.

We use SAI to create and distribute your employee benefits statements. In order for SAI to properly complete the work, we must provide SAI with certain personal information. We deeply regret that this incident occurred and we are taking immediate steps to make sure that something like this does not happen again.

At this time, we do not know if the thieves stole the computer with the intent to use the personal information for credit fraud purposes or whether this was merely a random criminal act. The Fullerton Police Department is investigating the incident and SAI is cooperating fully with the Police Department investigation. If this stolen personal information got in the wrong hands, however, you are at risk for identity theft or fraud.

There are several ways you can minimize the risk of becoming the victim of identity theft and fraud. As an initial matter, you should regularly review your financial account statements and credit cards for any suspicious or unauthorized activity. If you discover any unauthorized activity, immediately report it to your financial institution.

In addition, we recommend that immediately you put a fraud alert in place which is free of charge. This fraud alert is a consumer statement added to your credit report. This statement alerts creditors of possible fraudulent activity within your report as well as requests that they contact you prior to establishing any accounts in your name. Once the fraud alert is added to your credit report, all creditors should contact you prior to establishing any account in your name. To place a free fraud alert on your credit file, visit: www.fraudalerts.equifax.com or you may contact their auto fraud line at 1-877-478-7625, and follow the prompts. Once the fraud alert has been placed with Equifax, a notification will be sent to the other two credit reporting agencies, Experian and Trans Union, on your behalf.

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NWNA will also provide, at no cost to you, one year of Equifax Credit Watch™ Gold with 3-in-1 Monitoring. Equifax Credit Watch Gold with 3-in-1 Monitoring will provide you with an "early warning system" to changes to your credit file and help you to understand the content of your credit files at Equifax, Experian and Trans Union. The key features and benefits of the 1 year subscription to Equifax Credit Watch Gold with 3-in-1 Monitoring that is being offered to you are:

1. Comprehensive credit file monitoring with instant alerts of key changes to your Equifax, Experian, and Trans Union credit reports
2. Free 3-in-1 Credit Report available when you enroll and unlimited access to your Equifax Credit Report™
3. Up to \$20,000 Identity Theft Insurance with no deductible (excludes NY residents) at no additional charge to you
4. Customer Care 24 hours a day, 7 days a week

Attached are instructions on how to enroll with Equifax. We strongly recommend that you contact Equifax and sign up for this product. Please take a few minutes now and enroll. You will need to enroll within 90 days of receiving this letter.

In addition, NWNA has established a hotline to provide you with the resources you need to get your questions answered. The hotline telephone number is 1-800-697-1132 and is available Monday through Friday, 9am to 9pm, Eastern Standard Time. We encourage you to call this number if you have any questions or would like additional information.

NWNA sincerely regrets any inconvenience this incident may cause you. Please rest assured we are taking immediate action to make sure that an incident like this does not happen again and that our valued current and former employees are protected from identity theft and fraud.

Sincerely,



Mike Swinton
Vice President, Human Resources
Nestlé Waters North America

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Equifax Credit Watch™ Gold with 3-in-1 Monitoring

How to Enroll

Equifax has a simple Internet-based verification and enrollment process.

Visit: www.myservices.equifax.com/tri

1. Consumer Information: complete the form with your contact information (name, address and e-mail address) and click "Continue" button. The information is provided in a secured environment.
2. Identity Verification: complete the form with your Social Security Number, date of birth, telephone #s, create a User Name and Password, agree to the Terms of Use and click "Continue" button. The system will ask you up to two security questions to verify your identity.
3. Payment Information: During the "check out" process, provide the promotion code provided in your letter in the "Enter Promotion Code" box. (no spaces, include dash, case sensitive.) After entering your code press the "Apply Code" button and then the "Submit Order" button at the bottom of the page. (This code eliminates the need to provide a credit card number for payment.)
4. Order Confirmation: - Click "View My Product" to access your 3-in-1 Credit Report.

To sign up for US Mail delivery of the product, dial 1-866-937-8432 for access to the Equifax Credit Watch automated enrollment process. Note that all credit reports and alerts will be sent to you via US Mail only.

1. Promotion Code: enter your promotion code provided in your letter (no spaces, **no dash**)
2. Customer Information: enter your home telephone number, home address, name, date of birth and Social Security Number.
3. Permissible Purpose: provide Equifax with your permission to access your credit file and to monitor your file. Without your agreement, Equifax can not process your enrollment.
4. Order Confirmation: Equifax will provide a confirmation number with an explanation that you will receive your Fulfillment Kit via the US Mail (when Equifax is able to verify your identity) or a Customer Care letter with further instructions (if your identity can not be verified using the information provided).

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