

Caterpillar Inc.  
100 NE Adams  
Peoria, IL 61629-7310

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To: CPB Fax: 518-474-2474

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From: Alexander C. Giftos Date: 4/27/2007

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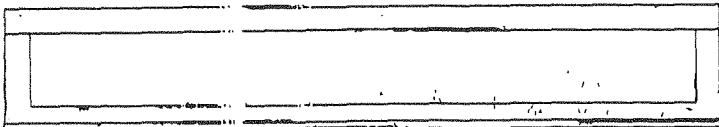
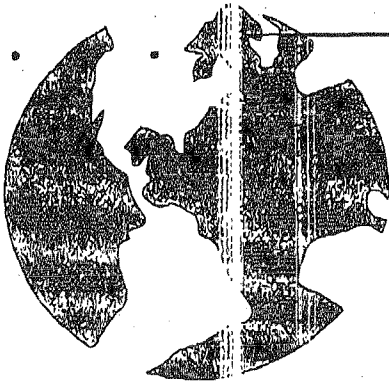
Re: Reporting form "Breach of the Security of the System" Pages: 5

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CC:

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Urgent     For Review     Please Comment     Please Reply     Please Recycle



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**CATERPILLAR®****Caterpillar Inc.**100 NE Adams Street  
Peoria, Illinois 61629

April 27, 2007

NYS Office of CSCIC  
30 South Pearl St.  
Floor #2  
Albany, NY 12207Attorney General  
Asst. Attorney General in Charge  
Bureau of Consumer Frauds  
120 Broadway – 3<sup>rd</sup> Floor  
New York, NY 10271

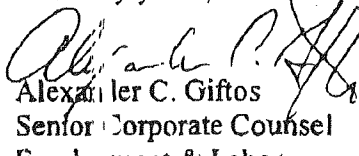
CPB VIA Facsimile

Re: Reporting form "Breach of the Security of the System"

To Whom It May Concern:

Enclosed please find on behalf of Caterpillar Inc. Notice of Breach of Security of the System and accompanying notice to affected individuals.

Sincerely yours,

  
Alexander C. Giftos  
Senior Corporate Counsel  
Employment & Labor

Enclosures

**Reporting Form For Business, Individual or NY State Entity reporting a "Breach of the Security of the System"**

**Pursuant to the Information Security Breach and Notification Act (General Business Law § 889-aa; State Technology Law § 208)**

Name of Business, Individual or State Entity: Caterpillar Inc. ("Caterpillar")  
Date of Discovery of Breach: Caterpillar's vendor, Strategic Benefits Advisors, Inc. of Dunwoody, Georgia ("SBA"), first discovered that an employee's laptop had been stolen on April 5, 2007. SBA reported it to Caterpillar on April 8, 2007. The Cobb County Department of Public Safety conducted a burglary investigation (Case #07047324) and requested that no notices be sent until after April 20, 2007.

Estimated Number of Affected Individuals: Approximately 41 New York residents  
Date of Notification to Affected Individuals: Caterpillar mailed notices on April 27, 2007

Manner of Notification:  written notice  
 electronic notice (email)  
 telephone notice

Are you requesting substitute notice?  Yes  No (if yes, attach justification)

Content of Notification to Affected Individuals: Describe what happened in general terms and what kind of information was involved. Please attach copy of Notice.

On or about April 6, 2007, SBA, a Caterpillar vendor, first learned that an employee's computer containing personal information belonging to its clients had been stolen from a business that was performing repairs on the computer. On April 8, 2007, Caterpillar was advised that the computer contained personal information, but the nature and extent of the personal information had not been determined. Caterpillar contacted the Cobb County Department of Public Safety and retained a private investigative firm to investigate the theft and try to locate the vendor's computer. The stolen computer contained personal information, including names, social security numbers and banking information as of July 2004 of Caterpillar employees and former employees who are residents of New York. We have no current information indicating that personal data has been misused. The Cobb County Department of Public Safety conducted a burglary investigation (Case #07047324) and had requested that no notices be sent. On April 20, 2007 at approximately 3:30 PM, the Cobb County Department of Public Safety notified Caterpillar that its investigation remains active, but that notices may be sent. Our vendor has sent additional computer files that are currently being analyzed as expeditiously as possible. While it is possible that we will identify additional individuals who are affected, we have sent notice to those individuals that we have been able to identify to date. Attached is a copy of the notice to affected individuals sent by Caterpillar.

Name of Business or Individual Contact Person: Alexander C. Giftos  
Title: Senior Corporate Counsel  
Telephone number: (309) 494-1902  
Email: giftos\_alexander\_c@Cat.com

Dated: April 27, 2007  
Submitted by: Alex C. Giftos  
Senior Corporate Counsel  
Employment & Labor  
Caterpillar Inc.  
Address: 100 Northeast Adams Street  
Peoria, IL 61629  
Email: giftos\_alexander\_c@cat.com  
Telephone: (309) 494-1902  
Fax: (309) 675-6620



April 26, 2007

[Insert Name]  
[Insert Address]  
[Insert City State Zip]

Dear Participant:

You are receiving this letter because you are a participant in the Caterpillar pension or investment plan. I am writing to inform you about an incident involving your personal information. We truly believe that, while unfortunate, this incident is not cause for undue concern on your part. However, because of the nature of the data involved and in the spirit of the Caterpillar Code of Conduct—Our Values in Action focus on Integrity—we wanted to let you know this incident occurred.

On the evening of April 5, 2007, a laptop computer belonging to a Caterpillar vendor near Atlanta, Georgia, was stolen from the shop where it was being repaired. The vendor, SBA Inc., provides Caterpillar with consulting services related to our pension plans. The stolen laptop contained information about you, including your name, address, social security number and banking information as of July 2004.

We have no reason to believe this was a targeted theft designed to obtain personal information. Based on our discussions with law enforcement authorities, who are aggressively investigating this crime, we believe this was part of a random theft of electronic goods. We deeply regret this incident and have no reason to believe that your information has been or will be misused.

As a first step and in an effort to mitigate any potential risk, we have arranged for credit monitoring at no cost to you. Detailed information on activating your Triple Alert<sup>SM</sup> monitoring membership is included at the end of this letter. Please use the following code to activate your membership:

Your Credit Monitoring Access Code: \_\_\_\_\_

You have until July 19, 2007, to activate this membership, which will then continue for 12 full months.

Caterpillar has also established a call center to field any other questions you may have about this incident. Caterpillar representatives may be reached at 309-494-SAFE (7233) or 800-699-8978, Monday through Friday, between the hours of 7 a.m. and 7 p.m., (Central time). In addition, please see the Frequently Asked Questions included for additional information.

OVER

Finally, I want you to know that because of this incident, we have taken steps to provide a greater level of protection for your personal information as part of our commitment to fully safeguard all of the information that is entrusted to us. Specifically, we have established new and tighter procedures for Caterpillar employees and vendors who have access to personal information; going forward, they will follow more rigorous directives for how data will be handled and managed.

Please accept our sincerest apologies for this unfortunate incident. In the coming weeks, you will receive additional correspondence from Caterpillar. We are committed to keeping you posted on any further developments.

Sincerely,

Sid Banwait  
Vice President  
Human Services Division

Enclosure

#### **Activating Triple Alert<sup>SM</sup> Credit Monitoring**

ConsumerInfo.com®, an Experian® company, will provide you with a full year of credit monitoring. This service is being provided at no cost to you. With it, you will be able to identify possible fraudulent use of your information. This credit-monitoring product, Triple Alert<sup>SM</sup>, will identify and notify you of certain changes that may be a sign of identity theft. Your complimentary membership includes:

- Monitoring your national credit reports every day
- E-mail alerts of key changes to any of the reports
- \$10,000 identity theft insurance provided by Virginia Surety Company, Inc.\*
- Dedicated fraud resolution representatives available for victims of identity theft

\*Due to New York state law restrictions, coverage cannot be offered to residents of New York.

You have until July 19, 2007, to activate this membership, which will then continue for 12 full months. We encourage you to activate your credit monitoring membership quickly. To activate your Triple Alert membership, visit <http://partner.consumerinfo.com/membership> and enter the code provided above. You will be instructed on how to initiate your online membership. An alternative is to contact the Caterpillar Call Center at 309-494-SAFE (7233) or 800-699-8978 and they will assist you in the enrollment process.

If you have questions specifically related to this credit-monitoring product, call ConsumerInfo.com at 866-252-0121. Hours are Monday through Friday, 8 a.m. to 8 p.m., and Saturday through Sunday, 10 a.m. to 7 p.m., (Central time).