

**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: United Subcontractors, Inc.
 Date of Discovery of Breach: 3.20.07
 Estimated Number of Affected Individuals: 123 NY EE'S & Former EE'S
 Date of Notification to Affected Individuals: 3.28.07 - 3.28.07
 Manner of Notification: written notice via email to be printed for all current affected ee's via mail again to all affected ee's 3.26.07 - 3.28.07
 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.
3 Jump drives & a laptop were stolen from the trunk of a rental car. These items had pers. info on them including name, social, dob, dob, & total comp. for 2004 & 05. The theft took place in NJ but affects our NY branches. Local authorities were immediately contacted.

Name of Business or Individual Contact Person: Alicia Pechmannis point person, but Dir. of HR
 Title: HR Specialist
 Telephone number: 952.925.6763
 Email: apechmann@unitedsub.com

Dated: 3.28.07
 Submitted by: Missy Bright
 Title: Corp. Benefits Administrator / HR Generalist
 Address: 5201 Eden Ave., Suite 220, Edina, MN 55436
 Email: mbright@unitedsub.com
 Telephone: 952.925.6764 Fax: 952.925.6779 (Corp. HR fax)

2 page ^(written) notice attached following

PLEASE SUBMIT THIS FORM TO ALL THREE (3) STATE AGENCIES as follows:

Fax this form to the Office of Cyber Security & Critical Infrastructure Coordination (CSCIC) & Consumer Protection Board (CPB):

CSCIC:
Security Breach Notification-
fax: 518-474-9090

CPB:
Security Breach Notification-
fax: 518-474-2474

and also **Fax & Mail** this form to

Attorney General:
Asst. AG in Charge
Bur. of Cons. Frauds
120 Broadway - 3rd Floor
New York, NY 10271
Fax No: 212-416-6003



March 26, 2007

Re: Notification of Security Breach

Si usted necesita esta carta en español por favor contacto USI 1-888-875-0016.

Dear Employees of United Subcontractors, Inc.:

We are writing this letter to inform you of a recent security breach related to United Subcontractors, Inc.'s employee data that potentially could affect you. We wanted to let you know the steps we have taken to address this situation.

What happened?

Recently, a USI laptop computer and electronic storage media were stolen out of a trunk of a vehicle. This stolen property contained personal information about USI employees employed in 2004 and 2005, including names, social security numbers, birthdates, dates of hire, and total compensation. I want you to know how much we deeply regret this incident.

What are the risks of this information being used?

We have no indication suggesting the personal information will be used wrongfully. Based on information from the local law enforcement agency, over the past six months, several other vehicles in the area were also broken into. We, therefore, believe that the theft was random and that the personal information was not the target. However, there is at least some risk this information could be used for purpose of identity theft.

What is USI doing to protect your interests?

- We are reviewing our current policies and practices and will make additional efforts to increase the security of employee data;
- We are working closely with the local law enforcement authorities to assist them in their investigation;
- We are notifying all affected employees so they can take appropriate steps to protect themselves against credit card fraud and identity theft; and
- If there is reason to believe that you have been the subject of identity theft as a result of this incident, we will provide additional assistance and work with you to resolve the situation.

Grandview Square, Suite 220, 5201 Eden Avenue, Edina, MN 55436

What Steps Can I Take To Protect Myself?

We recommend you place a fraud alert on your credit file. A fraud alert tells creditors to contact you before they open any new accounts or change your existing accounts. You can call any one of the three major credit bureaus. As soon as one credit bureau confirms your fraud alert, the others are notified to place fraud alerts.

Equifax
800-525-6285

Experian
888-397-3742

TransUnionCorp
800-680-7289

At your request, once every 12 months, the credit bureaus will provide you with a free credit report. To obtain this report, you can either go on line to www.annualcreditreport.com or call toll-free to 1-877-322-8228. All three credit reports will be sent to you, free of charge, for your review. Even if you do not find any suspicious activity on your initial credit reports, the Federal Trade Commission (FTC) recommends you check your credit reports periodically. Checking your credit reports periodically can help you spot problems and address them quickly.

If you find suspicious activity on your credit reports or have reason to believe your information is being misused, call the Ramsey, New Jersey Police Department at 201-337-2400 and file a police report. Be sure to mention case number # 07-3195. We recommend you get a copy of your police report, as many creditors want the information it contains to absolve you of the fraudulent debts. You should also file a complaint with the FTC at www.consumer.gov/idtheft or at 1-877-ID-THEFT (877-438-4338). Your complaint will be added to the FTC's Identity Theft Data Clearinghouse where it will be accessible to law enforcers for their investigations.

For more information about identity theft, go to:

<http://www.ftc.gov/bcp/edu/microsites/idtheft/index.html>

Please accept our sincerest apologies for this situation. We want you to know that we take this matter very seriously. If you have any questions regarding this letter or you require assistance in any way, please contact USI toll-free at 1-888-875-0016.

Sincerely,

Margaret Richter

Margaret Richter
Director of Human Resources