

UNIVERSITY OF NORTH DAKOTA
UNDALUMNI FOUNDATION

Bob McDonnell, Attorney General
Virginia Office of the Attorney General
Computer Crime Unit
900 East Main Street
Richmond, VA 23219

October 7, 2008

Dear Attorney General McDonnell:

The purpose of this letter is to inform the Virginia Attorney General's office that a security breach occurred in connection with a crime involving our primary software vendor. This crime occurred on September 19, 2008 in the Southeastern United States. The vendor subsequently filed a police report with local law enforcement officials where the incident took place. The thief smashed the car window of a support employee of the vendor (as well as pried into another car's trunk) and stole a laptop computer. The information contained on the stolen computer was protected by three layers of security controls, including a data encryption system. Although information contained within the stolen computer is unlikely to have resulted in unauthorized access due to the password protection and other security measures we are notifying your office because information contained therein may have included data with some of your residents' personal information (such as name, address, or social security number). To date, there has been no indication that any misuse of this information has occurred in connection with the breach described above.

The University of North Dakota Foundation provided notification to the 919 affected Virginia residents in the form of a letter on or about October 7, 2008 which is attached hereto for your reference. The letter informs customers of the circumstances surrounding the breach and of the option of enrolling in a free year of credit monitoring service.

The University of North Dakota Foundation intends to fully cooperate with law enforcement in this ongoing criminal investigation and to assist customers with concerns relating to this event.

Should you have any questions or concerns, please do not hesitate to contact me.

Sincerely,



Tim O'Keefe, '71
Executive Vice President and CEO
UND Alumni Association and UND Foundation



NAME
STREET ADDRESS
CITY, STATE ZIP

Tuesday, Oct. 7, 2008

Important Notice about your Confidential Information

Dear NAME

As a member of the UND Alumni Association and UND Foundation you are our most important asset. Because we respect and value your confidence in us, we want to alert you to an issue experienced by one of our corporate suppliers.

On September 26, we were notified that a laptop computer belonging to our primary software vendor was stolen from a vehicle. Through a secured method, we had sent our database to our vendor, an experienced leader, for a specific matter of support. The information is protected by three layers of security controls including a data encryption system. The database protected by the security includes sensitive information such as your credit card and social security numbers, which were encrypted. We have seen no evidence suggesting the information on this computer has been used in any way. We have worked swiftly and diligently with our vendor as well as a third party investigator to come to this conclusion and give you the best information possible.

Although we have seen no signs that this data has been read or misused, out of an abundance of caution we want to notify you of the loss so that you can monitor your personal information relating to financial transactions. Your information on the vendor's stolen computer is heavily protected, as indicated above. We believe the chance of it being discovered, much less accessed, is exceedingly low. Nevertheless, we want to bring this to your attention so you can pay special attention to monitoring your credit accounts for the next few months.

If you notice unauthorized activity, such as new accounts opened in your name or suspicious activity on your credit accounts, you should report it immediately and contact the Federal Trade Commission at www.consumer.gov/idtheft or at 1-877-ID-THEFT (438-4338). You should also call your local sheriff's office and file a police report of identity theft, keeping a copy of the police report.

As described above, there is no indication of any improper access to your data at this time. However, as a precaution to help you detect any possible misuse of your data, we are offering you a free year of credit monitoring. The vendor engaged TransUnion to provide you with their TrueCredit Online Credit Monitoring service, which includes unlimited access to your TransUnion credit report, credit score and analysis, daily TransUnion credit monitoring and other additional services. For more information, please visit <http://www.truecredit.com/code>. You have until January 31, 2009, to activate this credit monitoring by using the activation code CODE.

We also encourage you to personally take precautionary steps such as reviewing your monthly billing statements to ensure charges are accurate.

If you are curious as to the security measures our organization requires, or more detailed information on this issue, please visit www.undalumni.org. You may also contact us directly at our dedicated toll-free number, 866-444-0173 or e-mail information@undalumni.net.

Your privacy is extremely important to us. As your UND Alumni Association and UND Foundation, we consistently utilize government-approved, state-of-the-art technology to protect your information, and we also use industry-leading data management vendors. Nonetheless, we take this very seriously and are additionally reviewing all aspects of our data security.

We deeply regret that this has occurred and any anxiety it causes you. You are the lifeblood of our organization and your support allows so much good to be accomplished at the University of North Dakota. We will notify you with any new information should it arise and cause us to reassess the situation. Thank you for your continued trust and confidence as we move forward.

Sincerely,

A handwritten signature in black ink that reads "Tim O'Keefe". The signature is written in a cursive style with a large, sweeping initial "T".

Tim O'Keefe, '71
Executive Vice President and CEO
UND Alumni Association and UND Foundation