

SEP 28 2007

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: MERLIN DATA PUBLISHING CORP
 Address: 215 S. COMPLEX DR
RALEIGH, NC 27601
 Telephone: 406 755-8550
 Fax: 406 755-8583
 Email: CWANG@MERLINDATA.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: 9-25-07
 Date the Security Breach was discovered: 9-31-07
 Estimated number of affected individuals: 2297
 Estimated number of NC residents affected: 99

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)): SAME

Describe the circumstances surrounding the Security Breach and state whether the information breached was in electronic or paper format: Electronic customer login/password compromised

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: PASSWORD PROTECTED. LOGIN + PASSWORD ON ALL ACCOUNTS, Required to change them every 6 months

Describe any measures taken to prevent a similar Security Breach from occurring in the future: IP RESTRICTIONS

Date affected NC residents were/will be notified: October 3, 2007

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): _____

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.

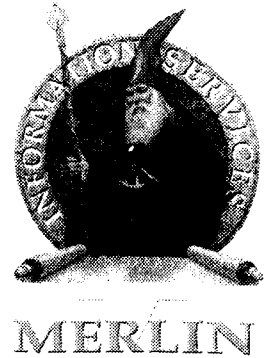
How NC residents were/will be notified? (pursuant to N.C.G.S. § 75-65(e))
 Please attach copy of the notice if in written form or a copy of any scripted notice if in telephonic form.

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

Signature: Collette Wang Date: 9-25-07
 Contact Person, Title: COLLETTE WANG RISK MANAGER
 Address: _____
 (if different from above) _____
 Telephone: 406 751-8511 Fax: 406 755-8583 Email: CWANG@MERLINDATA.COM

October 3, 2007

[First] [Last]
[Address]
[City], [STATE] [Zip]



Re: Notification of Security Breach

Dear [First] [Last]:

I am the CEO of Merlin Information Services, a small family-owned reference company that provides information and public records to licensed professionals and law enforcement agencies. I am sorry to inform you that login information for one of our qualified customers was compromised. An unauthorized individual may have acquired personal information about you before we discovered the situation. The FBI is investigating this illegal access.

During the period that this account was breached, the unauthorized individual had access to your name, address and Social Security number. The account did not have access to your credit report or any financial information about you. Because your Social Security number was exposed, we strongly recommend that you follow the steps outlined below to monitor your credit report.

We have partnered with ConsumerInfo.com, Inc., an Experian[®] company, to provide you with a full year of credit monitoring. This credit monitoring membership will enable you to identify possible fraudulent use of your information.

Your credit monitoring product, Triple AlertSM, will identify and notify you of key changes that may be a sign of Identity Theft. Your complimentary membership includes:

- o Monitoring of all three of your national credit reports every day
- o Email alerts of key changes to any of your 3 national credit reports
- o \$10,000 identity theft insurance provided by Virginia Surety Company, Inc.*
- o 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 ninety (90) days to activate this membership, which will then continue for 12 full months. We encourage you to activate your credit monitoring membership quickly. To redeem your Triple Alert membership, please visit <http://partner.consumerinfo.com/protect> and enter the code provided below. You will be instructed on how to initiate your online membership.

Website: <http://partner.consumerinfo.com/protect>

Your Credit Monitoring Activation: [code]

I am deeply sorry about this incident. I want to assure you that we will do everything we can to help you resolve any problems that may arise from the incident. If you would like to verify the authenticity of this letter, you may contact the Montana Attorney General, Mike McGrath at 406-444-2026 or e-mail him at contactdoj@mt.gov.

Merlin Information Services is authorized by the Gramm-Leach Bliley Act to provide access to your personal information for investigative purposes. Professional investigators have successfully used Merlin Information Services' databases over the past sixteen years to locate witnesses, heirs, and lost children, run background checks, obtain child support, and detect fraud.

I have enclosed some additional information about identity theft, and we have also posted this information on our website, www.merlindata.com/consumerprivacy, for future reference. We have trained professionals to answer questions that you may have about identity theft. You may call us at (800) 494-9901 from 10 am to 6 pm Eastern Time (7 am to 3 pm Pacific Time), Monday through Friday. If you call at other times, you may leave us a message and we will return your call.

Please accept my personal apology for any distress that this incident may cause you. As CEO, I have been personally committed to ensuring that Merlin has exceeded the industry's privacy, security and fair information practices standards throughout our 16 year history. I can also assure you that we have further tightened our security procedures so that this type of incident does not reoccur.

Yours very truly,

A handwritten signature in black ink that reads "Keith T. Brown". The signature is written in a cursive style with a long horizontal flourish at the end.

Keith T. Brown
Chief Executive Officer

Attachment

Identity Theft Resources: A Step-by-Step Guide

Identity theft occurs when someone uses another person's personal information to conceal crimes or obtain credit fraudulently. Identity theft is a crime, and it can be costly for its victims as well as for the credit grantors who are defrauded. We have arranged for products to help you determine if your information is being used improperly and to reimburse for you for any damages that you may suffer if you do become a victim of identity theft. Here are the steps to take to use the products:

(1) Sign up for the FREE credit report monitoring membership.

We have partnered with ConsumerInfo.com, Inc., an Experian® company, to provide you with a full year of credit monitoring. Your membership will alert you to important changes on your credit report to help you protect your identity. To sign up for this membership:

1. Access the Internet and open Internet Explore or another web browser.
2. Type the following URL into the address bar: <http://partner.consumerinfo.com/protect>. This will take you to the website. Click the "Sign Up Now" button.
3. Complete the enrollment form and click "Submit." This is the first of 2 pages you must complete.
4. Complete the second page of the enrollment form by creating a user name and password and providing your Social Security number. You also need to enter your personal activation code from your notification in the box labeled "activation code" on this page.
5. Read the Terms and Conditions in the box at the bottom of the page. Click the "Submit Secure Order" button.
6. Answer the online authentication questions. For security reasons, you must answer the authentication questions in order to get access to your Experian credit report. If you cannot answer the questions, please follow the instructions on the screen.
7. When you have completed your order, your Experian credit report will display on the screen.
8. If you have problems signing up for membership, call Experian customer care at 1-866-252-0121

(2) If inappropriate activity occurs on your credit report, contact the fraud resolution representatives.

Your credit monitoring membership includes access to fraud resolutions representatives who will provide you with personal assistance. These representatives can:

- Review your credit record to determine accuracy and potential areas for fraud;
- Provide information to appropriate government agencies; and
- Research and investigate potential damage to your identity.

(3) If you become a victim of identity theft, you have access to identity theft insurance.

Your credit monitoring membership includes up to \$10,000 in Identity Theft Insurance provided by Virginia Surety Company, Inc. to cover expenses incurred during the fraud resolution process as well as losses that are not recovered as a result of the identity theft incident. (Due to New York state law restrictions, coverage cannot be offered to residents of New York.)

4. If you want to learn more about identity theft, visit the following helpful sites:

- The Federal Trade Commission (FTC) runs the U.S. government identify theft information website, <http://www.consumer.gov/idtheft> - you can also call the FTC at 1-877-ID-THEFT (877-438-4338).
- The Identify Theft Resource Center is a non-profit organization that you can contact online at <http://www.idtheftcenter.org/> or via email to itrc@idtheftcenter.org.
- Call for Action: contact them online at <http://www.callforaction.org/> or talk to victim support counselors at 866-ID-Hotline (866-434-6854).