

North Carolina Security Breach Reporting Form
Pursuant to the Identity Theft Protection Act of 2008

Name of Business Owning or Licensing Information Affected by the Breach: Fuddruckers
Address: _____
Telephone: _____
Fax: _____
Email: _____

PLEASE SUBMIT FORM TO:
Consumer Protection Division
NC Attorney General's Office
9001 Mail Service Center
Raleigh, NC 27699-9001
Telephone: (919) 716-6700
Toll free in NC: (877) 566-7226
FAX: (919) 716-6050

Date Security Breach Reporting Form submitted: February 5, 2009
Date the Security Breach was discovered: November 2008
Estimated number of affected individuals: Unknown
Estimated number of NC residents affected: 1,300

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)): Magic Brands, LLC, 3700 Maple Eaby, Suite C300, Austin, TX 78749

The Security Breach occurred at a Fuddruckers restaurant operated by Magic Brands, LLC. Magic Brands, LLC does not maintain any information as a matter of course, but is providing notification because malware installed caused information to be briefly stored on a system. The malware stored a credit and debit card track data.

Describe the circumstances surrounding the Security Breach and state whether the information breached was in electronic or paper format: The restaurant was targeted by an individual or individuals seeking to obtain electronic card data illegally by hacking into the point of sale system and installing a key logger that intercepted data before it was encrypted.

Regarding electronic information breached, state whether the information breached or potentially breached was password protected or encrypted in some manner. If so, please describe the security measures protecting the information: The electronic information breached was not password protected or encrypted at the point of interception.

Describe any measures taken to prevent a similar Security Breach from occurring in the future: Fuddruckers restaurant locations operated by Magic Brands, LLC have protections in place consistent with those that are required for PCI compliance.

Date affected NC residents were/will be notified: February 2009

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): Upon becoming aware of the breach, Magic Brands, LLC immediately conducted an investigation internally and through forensic experts to properly identify all affected customers and to secure the system. Our notification of impacted customers was not as timely as possible given the need to undertake these steps.

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: Peter F. Durning Date: February 5, 2009
Contact Person, Title: Peter F. Durning, Esq.
Address: Goulston & Storrs, P.C.
(if different from above) 400 Atlantic Avenue, Boston, MA 02110
Telephone: (617) 492-1776 Fax: (617) 574-7589 Email: pdurning@goulstonstorrs.com

Equifax: 1-800-525-6285, www.equifax.com, P.O. Box 740241, Atlanta, GA 30374-0241

Experian: 1-888-EXPERIAN (337-3142), www.experian.com, P.O. Box 9532, Allen, TX 75013

TransUnion: 1-800-680-7289, www.transunion.com, Fraud Victim Assistance Division, P.O. Box 6790, Fullerton, CA 92834-6790

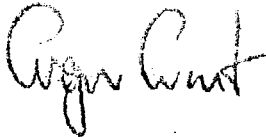
Fuddruckers has always taken the security of data transmissions very seriously; as a result of this situation, we both redoubled our efforts at the locations that were impacted and increased monitoring of our other restaurants. Our remediation efforts complied with accepted security best practices and industry standards.

Our internal investigation is now complete and we have no reason to believe this problem is ongoing. To further increase the security of our system, we have taken a number of additional precautionary steps and we are confident that current credit card transactions taking place at our restaurant are secure.

Should you have any questions, please call: 1-888-894-1314. You will be directed to leave a message with your name, number and nature of your concerns and the appropriate person will return your call within 24-48 hours. As a reminder, you should immediately contact your credit card company if you are concerned about unrecognized charges or other fraudulent activity.

Once again, the team at Fuddruckers would like to apologize for any inconvenience this issue may have caused you. We appreciate your patronage and thank you for your support.

Sincerely,



Gregor Grant
CFO Magic Brands