

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: GMAC Insurance
 Address: 500 W. 5th Street
Winston-Salem, NC 27102
 Telephone: 336-770-2862
 Fax: 336-435-0273
 Email: steve.halstead@gmacinsurance.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: 4/02/2008
 Date the Security Breach was discovered: 3/25/2008
 Estimated number of affected individuals: 2802
 Estimated number of NC residents affected: 1268

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)): USinternetworking Inc.

Describe the circumstances surrounding the Security Breach and state whether the information breached was in electronic or paper format: Laptop computer owned by contracted vendor (USA) stolen in a home burglary in Ohio. Contained names, SSN, deduction information for GMAC employees.

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: Computer was password protected, but did not employ disk or file level encryption.

Describe any measures taken to prevent a similar Security Breach from occurring in the future: Auditing vendor to ensure compliance with GMAC policy - NPI must be encrypted, and is forbidden on portable devices.

Date affected NC residents were/will be notified: 3/26/08 via email, 4/04/08 written notice

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): identification of scope of breach, and identification of affected residents

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: _____ Date: 4/02/2008
 Contact Person, Title: Steve Halstead, Assistant General Counsel
 Address: Same as above
 (if different from above)
 Telephone: 336-770-2862 Fax: 336-435-0273 Email: steve.halstead@gmacinsurance.com

GMAC **Insurance**

April 2, 2008

Consumer Protection Division
NC Attorney General's Office

9001 Mail Service Center
Raleigh, NC 27699-9001

Dear Sirs:

On March 25, 2008, GMAC Insurance (GMACI) was advised that a laptop computer belonging to a business partner's employee, along with other items of value, was stolen in a home burglary on March 23, 2008. The incident was reported to local Ohio law enforcement authorities and an investigation is underway.

Over the course of their investigation into the incident, which concluded March 29, 2008, our business partner advised us that the laptop contained two files of GMACI employee information that were unencrypted. One file contained GMACI's internal ID for each employee along with their social security numbers. The other file contained the internal IDs along with the employees' names. No other personally identifying information was on the files. We are notifying you of this incident in compliance with your state's security breach law.

In addition, we have reported this incident to Transunion, Equifax and Experian.

As our business partner's investigation continued, we kept our active employees advised of the situation via intra-company email. Copies of those communications are attached for your records. And, although we believe the potential for harm to our employees is remote because of the circumstances of the theft, GMACI is sending a written notice to those employees whose information was on the files. We expect to complete mailing the notification letter to approximately 2,802 individuals by April 4, 2008. The files involved indicate that 1268 GMACI employee residing in the state of North Carolina will receive the written notice.

For your records, I have attached the following:

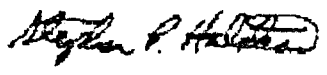
1. First intra-company email to existing employees notifying them of the initial incident;
2. Second intra-company email to existing employees advising them of further developments;
3. Third intra-company email to existing employees advising them of the discovery of the second file containing unencrypted GMACI employee information;

GMAC
Insurance

- 4. Script being used to notify former GMACI employees and existing employees on leave of absence, of the incident;
- 5. Copy of written notice being mailed to impacted individual in North Carolina; and
- 6. Question and Answer document created to respond to employee inquiries.

Please do not hesitate to contact me at 336-770-2862 if you have questions.

Sincerely,



Stephen P. Halstead
Assistant General Counsel
GMAC Insurance