

Office of the Attorney General
State of New Hampshire
33 Capitol Street
Concord, NH 03301

Delivery Via USPS Tracking No. EQ 214304342 US

RE: Notification of Data Security Breach Incident

Dear Sir/Madame:

This letter is being sent in accordance with New Hampshire law to inform your office that our company recently suffered an unauthorized computer intrusion into one of our databases. The database that was accessed by an unauthorized person contains a combination of one or more of the following types of personal information about consumers who engaged in transactions with one or more of the merchants to whom we provided payment processing services: name; bank account number; and/or drivers license number. We have enclosed a copy of the notice letter that we will be sending to potentially affected individuals on a nationwide basis on March 23, 2007.

Approximately 482 New Hampshire residents will be receiving notice letters. Should you have any additional questions, you may contact me directly at 505-998-3141, ext. 3704.

Sincerely,



Kris Winckler, AAP
SVP, Strategy & Marketing
Merchant America



PO Box 37420 | Oak Park, MI 48237

Please Open Immediately.

<<NAME>>
<<ADDRESS 1>>
<<ADDRESS 2>>
<<CITY, STATE ZIP>>

<<POSTNET CODE>>

Dear <<NAME>>,

We recently became aware of a computer intrusion that occurred in early December that may have allowed some of your personal information to be viewed online for a brief time. We are aware of no evidence that your information was stolen or used fraudulently. However, we consider any unauthorized system intrusion to be a serious matter. For that reason, we are making available to you a number of resources to minimize any possible cost or inconvenience this might cause.

How Your Information May Have Been Exposed

Our organization, Merchant America, processes payment transactions for a number of merchants, including one where you may have made a purchase in or prior to early December 2006 using funds from your checking account. During the intrusion, a database was accessed that contained information about you. Such information may have included a combination of any one or more of the following: your name, address, account number, account routing information, telephone number, e-mail address and/or driver's license number. After the incident was detected, our internal information technology team and an outside forensic security firm conducted an extensive investigation. This in-depth examination was recently concluded. Based upon the findings we believe that no information was electronically copied or downloaded. However, data may have been viewed and manually copied during the brief time the database was illegally accessed.

We have closed off the avenue the unauthorized person used to access the database and are taking several other steps to tighten up our overall security systems. We are also reviewing and strengthening the procedures already in place to safeguard against a breach of data security in the future.

Resources Available to You

Among the immediate steps we are taking to guard against potential problems is to offer services to you, free of charge, to help secure the privacy of your personal information.

We have engaged Kroll Inc., a leading worldwide risk consulting company, to provide you with access to its ID TheftSmart™ service — which includes Enhanced Identity Theft Restoration and Continuous Credit Monitoring — at no cost to you for a period of 12 months. ID TheftSmart is designed to help protect your name and credit against identity theft. We urge you to take the time to read the enclosed information about the safeguards now available to you.

We encourage you to stay aware and remain vigilant by monitoring your credit reports, credit history and your bank account activity in the event there was any unauthorized access to your personal information. You may obtain a free copy of your credit report by contacting one of the three national credit reporting agencies shown toward the bottom of this letter.

Contact Information

If you have questions about this incident or feel you may have an identity theft issue related to this incident, please call ID TheftSmart member services at the number listed on the attached card.

Please accept our deepest apology for any inconvenience this incident may cause. We are committed to protecting your personal information, and we hope that you take advantage of the free resources we are making available.

Sincerely,

Merchant America and ID TheftSmart

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

Experian: 1-888-EXPERIAN (397-3742); www.experian.com; P.O. Box 2002, Allen, TX 75013

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



MEMBER: MR. JOHN Q. SAMPLE
MEMBERSHIP ID#: 000000000

Member Services: 1-800-588-9839
8:00 a.m. to 5:00 p.m. (Central Time), Monday through Friday
If you have questions or feel you may have an identity theft issue please call ID TheftSmart member services



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PS: Your ID TheftSmart credit monitoring service cannot be provided without your authorization. You must complete and return the enclosed authorization form to begin the process.