ECMC

April 16, 2010

The Honorable Roy Cooper Office of the North Carolina Attorney General 9001 Mail Service Center Raleigh, NC 27699-9001

Re: Update on ECMC Data Incident

Dear Attorney General Roy Cooper,

I am writing to provide you with an update regarding the recent data incident at ECMC. As you may know, on March 21, 2010, ECMC discovered that two double-locked Sentry safes were stolen from a locked storage area at our corporate headquarters. The safes contained DVDs that included personal information relating to borrowers. The files on the DVDs were compressed using server-based compression software, and many of the files were protected by, and could only be accessed with, a User ID and 8-digit alphanumeric password.

We are pleased to inform you that the safes (as well as the DVDs contained in the safes) were recovered on March 22, 2010. I have attached copies of the press release issued by law enforcement this morning regarding the recovery, along with a statement we issued immediately thereafter. As indicated in these statements, law enforcement officials do not believe that the personal information contained on the DVDs was accessed or compromised. Forensic experts from the U.S. Department of Education are currently working to confirm that the personal information was not accessed.

We began notifying our borrowers of this incident on March 31, 2010.

We are, of course, delighted by this development and hope that this news provides some comfort to you and the residents of your state. We will continue to keep you informed as events warrant.

Best regards,

Richard J. Boyle, Jr.

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President & CEO, ECMC Group

Enclosures (2)