State of Connecticut

RICHARD BLUMENTHAL
ATTORNEY GENERAL

Hartford
May 21, 2008

VIA ELECTRONIC MAIL AND FIRST CLASS U.S. MAIL

Stephen Dalmatch
General Counsel
Bank of New York Mellon Shareowner Services
480 Washington Avenue
Jersey City, NJ 07310

RE: The Bank of New York Mellon Security Breach -- Missing Back-up Tapes

Dear Mr. Dalmatch:

I am alarmed and deeply concerned by a recent and serious data breach at The Bank of New York Mellon ("BNY") involving the loss of computer back-up tapes containing sensitive information of some 4.5 million consumers, including People's United Bank account holders and shareowners. Several hundred thousand Connecticut citizens may be affected, and possibly more, by this loss of highly significant personal information.

BNY representatives informed my office that the information on the tapes contained, at a minimum, Social Security numbers, names and addresses, and possibly bank account numbers and balances. I am especially concerned about the possibility that credit card fraud and identity loss may result from the breach of this sensitive and personally identifying information.

According to the information you provided, a metal box with six to ten unencrypted back-up bank tapes containing confidential personal information was "lost" in February, 2008 from a truck owned by Archival Systems, Inc., a company that transports and "securely" stores these types of tapes in its storage facility. The lock on the truck was broken -- possibly before the beginning of the workday -- and the truck was left unattended several times. Ten boxes from BNY were placed on the truck. Only nine reached the storage facility.

This security breach seems highly dangerous, indeed possibly devastating in light of the identity theft threat. You have also informed this office that BNY began notifying the affected customers six weeks ago and is offering one year of credit monitoring through Equifax. Given this extraordinarily serious security breach, this offer of protection is grossly inadequate. Connecticut agencies that have experienced data security breaches less serious in magnitude or

potential damage have offered consumers two years of credit monitoring, $25,000 identity theft insurance and free credit freezes BNY should do no less

Given the possible devastating impact on consumers in Connecticut, my office requests more detailed information -- in full and in writing -- on how this breach occurred, what steps have been taken to protect these individuals, and what new procedures have been adopted to prevent future data breaches

For the purposes of this letter and the questions below, "You" and "Your" refer to BNY Please provide responses to the following by May 30, 2008:

1 Prior to the loss of this data, what measures did You take to safeguard sensitive information of the sort contained on the lost back-up tapes;

2 Please indicate how and when You first learned of the loss of the back-up tapes;

3 Please describe in detail the circumstances under which the back-up tapes were lost;

4. Please identify the total number of Connecticut consumers that may possibly be affected by the loss of the back-up tapes;

5 Please identify each issuer (client of Yours) which had its clients/shareholders/customers' information on one of the missing back-up tapes and, for each, identify the number of Connecticut residents that may possibly be affected by the loss of the back-up tapes;

6 Please describe in detail the categories of consumer information compromised by the loss including, but not limited to, name, address, Social Security Number, or other sensitive information;

7 Please describe all steps that You have taken to track down and retrieve the missing back-up tapes and the sensitive files and information contained thereon;

8 Please describe all steps You have taken or will take to contact and warn consumers that their sensitive and personally identifying information may have been compromised including, but not limited to, when and how You first notified consumers of this loss, and whether You will individually notify each consumer about the loss;

9 Please identify all steps You have taken or will take to protect those consumers whose personal information may have been or was actually compromised from

identity theft and credit card fraud, including, but not limited to, any credit monitoring or identity restoration services and insurance that has been or will be offered to these consumers;

10. Please provide an outline of the plan You have developed to prevent the reoccurrence of such a loss and a timeline for implementing that plan;

11. Please describe Your general corporate policies regarding securing back-up tapes such as the lost tapes that are the subject of this letter, and the personally identifying information contained thereon; and

12. Please identify each instance where a back-up tape was lost in the past and, for each incident, state whether such tape contained any sensitive, personally identifiable information

I am especially concerned by the delay in informing consumers, possibly heightening the risks of wrongdoing. Neither People's nor its customers were promptly notified. Even now, many may be in the dark.

The loss of these tapes -- so far unrecovered and unremedied -- is inexplicable and unacceptable. It must be addressed by protective measures to forestall identity theft immediately

I appreciate your cooperation in this matter and look forward to hearing from you. The information requested herein should be sent to Assistant Attorneys General Matthew Fitzsimmons and Phillip Rosario at 110 Sherman Street, Hartford, Connecticut 06105. Should you have any questions, you may contact Assistant Attorneys General Fitzsimmons or Rosario at (860) 808-5400. Thank you

Very truly yours,

RICHARD BLUMENTHAL

RB/pas