



June 29, 2020

[first name] [last name]
[street address]
[city], [state] [zip]

RE: Notice of a Data Breach

Dear [first name] [last name],

Steel Partners values our employees and stakeholders and understands the importance of protecting personal information. We are writing to inform you about an incident that may involve some of your information. This incident may have involved personal information concerning you that was collected by a Steel Partners entity relating to your employment, your status as a beneficiary of a current or former employee, your participation in a pension plan, or your status as a beneficiary of a pension plan participant. Steel Partners entities include Steel Partners, portfolio companies of Steel Partners, and pension plans administered by Steel Partners.

What Happened

Steel Partners recently discovered unauthorized activity in the email account of one of its employees. It immediately initiated an investigation, which identified unauthorized access to that email account. Steel Partners locked the account and promptly engaged a forensic security firm to assist. The investigation identified that the method by which the email account was accessed allowed for a local download of the entire mailbox. On May 29, 2020, it was determined that there were documents within the employee's email account that contained personal information. A broader review of our systems indicated that only one email account was impacted. We are notifying you because some of your personal information was contained in documents within the Steel Partners employee's email account.

What Information Was Involved

The impacted email account contained documents that may have contained your first name, last name, social security number, and date of birth or health information related to disability or workers compensation claims.

What You Can Do

While we have no indication that your personal information has been misused, we encourage you to remain vigilant for incidents of fraud and identity theft by regularly reviewing your account

statements and monitoring your free credit reports. If you detect any unauthorized activity, you should promptly notify the appropriate institution. Please find more information on protecting your identity in the guidance attached to this letter.

What We Are Doing

Steel Partners immediately initiated an investigation and engaged a forensic security firm to assist. We have taken steps to mitigate any potential impact, including requiring a password reset for our employees. We have also implemented measures to help prevent similar attacks from happening in the future, including changes to our login process and implementing stricter multi-factor authentication rules. We have conducted a broader review of our network and confirmed that only one email account was impacted and that there was no security breach of our system. We continue to work with the forensic security firm to further strengthen our existing security measures.

We are offering you a complimentary two-year subscription to Experian IdentityWorks, a credit monitoring and identity theft protection service provided by Experian. This product provides you with superior identity detection and resolution of identity theft. To activate your membership and start monitoring your personal information, please follow the steps below:

- Ensure that you enroll by: [enrollment end date] (Your code will not work after this date.)
- Visit the Experian IdentityWorks website to enroll: [enrollment URL]
- Provide your activation code: [activation code]

If you have questions about the product, need assistance with identity restoration or would like an alternative to enrolling in Experian IdentityWorks online, please contact Experian's customer care team at [customer service number] by [enrollment end date]. Be prepared to provide engagement number [engagement number] as proof of eligibility for the identity restoration services by Experian. At the end of your free subscription, it will be canceled and you will not be billed.

Additional Details Concerning the 24-Month Experian IdentityWorks Membership

A credit card is not required for enrollment in Experian IdentityWorks.

You can contact Experian immediately regarding any fraud issues, and have access to the following features once you enroll in Experian IdentityWorks:

- Experian credit report at signup: See what information is associated with your credit file. Daily credit reports are available for online members only.¹
- Credit Monitoring: Actively monitors Experian file for indicators of fraud.
- Identity Restoration: Identity Restoration agents are immediately available to help you address credit and non-credit related fraud.
- Experian IdentityWorks ExtendCARE: You receive the same high-level of Identity Restoration support even after your Experian IdentityWorks membership has expired.

¹ Offline members will be eligible to call for additional reports quarterly after enrolling.

- Up to \$1 Million Identity Theft Insurance:² Provides coverage for certain costs and unauthorized electronic fund transfers.

If you believe there was fraudulent use of your information and would like to discuss how you may be able to resolve those issues, please reach out to an Experian agent at [customer service number]. If, after discussing your situation with an agent, it is determined that Identity Restoration support is needed, then an Experian Identity Restoration agent is available to work with you to investigate and resolve each incident of fraud that occurred (including, as appropriate, helping you with contacting credit grantors to dispute charges and close accounts; assisting you in placing a freeze on your credit file with the three major credit bureaus; and assisting you with contacting government agencies to help restore your identity to its proper condition).

Please note that this Identity Restoration support is available to you for one year from the date of this letter and does not require any action on your part at this time. The Terms and Conditions for this offer are located at www.ExperianIDWorks.com/restoration. You will also find self-help tips and information about identity protection at this site.

For More Information

We take the safety and security of your personal information seriously. We regret any concern this may have caused you. If you have questions or need additional information, please call [call center phone number].

Sincerely,

Steel Partners

² The Identity Theft Insurance is underwritten and administered by American Bankers Insurance Company of Florida, an Assurant company. Please refer to the actual policies for terms, conditions, and exclusions of coverage. Coverage may not be available in all jurisdictions.

GUIDANCE FOR PROTECTING YOUR IDENTITY AND PERSONAL INFORMATION

If you are a resident of Maryland, you may contact your state attorney general about identify theft and protecting your personal information at:

Maryland Attorney General's Office, 200 St. Paul Place, Baltimore, MD 21202,
www.oag.state.md.us, 1-888-743-0023 or 1-410-576-6300

If you are a resident of New Mexico, you have rights under the federal Fair Credit Reporting Act, which promotes the accuracy, fairness, and privacy of information in the files of consumer reporting agencies. The FTC has published the following list of the primary rights created by the FCRA (<https://www.consumer.ftc.gov/articles/pdf-0096-fair-credit-reporting-act.pdf>):

1. You have the right to receive a copy of your credit report. The copy of your report must contain all the information in your file at the time of your request.
2. Each of the nationwide credit reporting companies – Equifax, Experian, and TransUnion – is required to provide you with a free copy of your credit report, at your request, once every 12 months.
3. You are also entitled to a free report if a company takes adverse action against you, like denying your application for credit, insurance, or employment, and you ask for your report within 60 days of receiving notice of the action. The notice will give you the name, address, and phone number of the credit reporting company. You are also entitled to one free report a year if you're unemployed and plan to look for a job within 60 days; if you are on welfare; or if your report is inaccurate because of fraud, including identity theft.
4. You have the right to ask for a credit score.
5. You have the right to dispute incomplete or inaccurate information.
6. Consumer reporting agencies must correct or delete inaccurate, incomplete, or unverifiable information.
7. Consumer reporting agencies may not report outdated negative information.
8. Access to your file is limited. You must give your consent for reports to be provided to employers.
9. You may limit "prescreened" offers of credit and insurance you receive based on information in your credit report.
10. You may seek damages from violators.
11. Identity theft victims and active duty military personnel have additional rights.

If you are a resident of New York you can contact the following agencies for more information on identity theft:

New York Department of State Division of Consumer Protection, Consumer Assistance Unit 99,
1-800-697-1220, Washington Avenue, Albany, NY 12231, www.dos.ny.gov/consumerprotection

New York Attorney General, The Capitol, Albany, NY 12224, 1-800-771-7755, www.ag.ny.gov

If you are a resident of North Carolina you have the right to request a security freeze on your credit report as described below. For more information about identity theft and protecting your personal information you may contact your attorney general at:

North Carolina Attorney General's Office, 9001 Mail Service Center, Raleigh, NC 27699, www.ncdoj.gov, 1-919-716-6400 or 1-877-566-7226

If you are a resident of Oregon you are encouraged to report suspected identity theft to the Attorney General.

Oregon Attorney General's Office, 1162 Court Street Northeast, Salem, OR 97301, 1-877-877-9392, www.doj.state.or.us

If you are a resident of Rhode Island you have the right to file and obtain a copy of a police report, and to request a security freeze on your credit report as described below. For more information about identity theft and protecting your personal information you may contact your state attorney general at:

Rhode Island Attorney General's Office, 150 South Main Street, Providence, RI 02903, 1-401-274-4400, www.riag.ri.gov

If you are a resident of West Virginia, you have the right to ask that nationwide consumer reporting agencies place "fraud alerts" in your file to let potential creditors and others know that you may be a victim of identity theft, as described below. You also have a right to place a security freeze on your credit report, as described below.

Fraud Alerts: There are two types of fraud alerts you can place on your credit report to put your creditors on notice that you may be a victim of fraud—an initial alert and an extended alert. You may request that an initial fraud alert be placed on your credit report if you are concerned about becoming a victim of fraud or identity theft. An initial fraud alert stays on your credit report one year. You may also request that an extended alert be placed on your credit report if you have already been a victim of fraud or identity theft with the appropriate documentary proof. An extended fraud alert stays on your credit report for seven years. You can place a fraud alert on your credit report by contacting any of the three national credit reporting agencies.

Credit Freezes: You have the right to put a credit freeze, also known as a security freeze, on your credit file, free of charge, so that no new credit can be opened in your name without the use of a personal identification number ("PIN") that is issued to you when you initiate a freeze. A security freeze is designed to prevent potential credit grantors from accessing your credit report without your consent. If you place a security freeze, potential creditors and other third parties will not be able to get access to your credit report unless you temporarily lift the freeze. Therefore, using a security freeze may delay your ability to obtain credit.

There is no fee to place or lift a security freeze. Unlike a fraud alert, you must separately place a security freeze on your credit file at each credit reporting company. For information and instructions to place a security freeze, contact each of the credit reporting agencies at the addresses below:

Experian Security Freeze, PO Box 9554, Allen, TX 75013, www.experian.com

TransUnion Security Freeze, PO Box 2000, Chester, PA 19016, www.transunion.com

Equifax Security Freeze, PO Box 105788, Atlanta, GA 30348, www.equifax.com

To request a security freeze, you will need to provide the following information:

1. Your full name, address, Social Security number, and date of birth;
2. Addresses where you lived over the previous five years;
3. Proof of current address such as a utility or phone bill;
4. A photocopy of a government issued identification card;
5. If you are an identity theft victim, include a copy of the police report, investigative report, or complaint.

The credit reporting agencies have one business day after receiving your request by toll-free telephone or secure electronic means, or three business days after receiving your request by mail, to place a security freeze on your credit report. The credit bureaus must also send written confirmation to you within five business days and provide you with a unique PIN or password or both that can be used by you to authorize the removal or lifting of the security freeze.

To lift the security freeze in order to allow a specific entity or individual access to your credit report, or to lift a security freeze for a specified period of time, you must submit a request through a toll-free telephone number, a secure electronic means maintained by a credit reporting agency, or by sending a written request via regular, certified, or overnight mail to the credit reporting agencies and include proper identification (name, address, and Social Security number) and the PIN or password provided to you when you placed the security freeze as well as the identity of those entities or individuals you would like to receive your credit report or the specific period of time you want the credit report available. The credit reporting agencies have one business day after receiving your request by toll-free telephone or secure electronic means, or three business days after receiving your request by mail, to lift the security freeze for those identified entities or for the specified period of time.

To remove the security freeze, you must submit a request through a toll-free telephone number, a secure electronic means maintained by a credit reporting agency, or by sending a written request via regular, certified, or overnight mail to each of the three credit bureaus and include proper identification (name, address, and Social Security number) and the PIN number or password provided to you when you placed the security freeze. The credit bureaus have one business day after receiving your request by toll-free telephone or secure electronic means, or three business days after receiving your request by mail, to remove the security freeze.

Finally, as a reminder you should remain vigilant for incidents of fraud or identity theft by reviewing your account statements and free credit reports for any unauthorized activity. Below is contact information for the three nationwide consumer reporting agencies from which you can obtain a credit report:

Equifax, PO Box 740241, Atlanta, GA 30374, www.equifax.com, 1-800-685-1111

Experian, PO Box 2002, Allen, TX 75013, www.experian.com, 1-888-397-3742

TransUnion, PO Box 2000, Chester, PA 19016, www.transunion.com, 1-800-916-8800

You can contact the Federal Trade Commission and/or the Attorney General's office in your state, for information about steps you can take to avoid identity theft as well as information about fraud alerts and security freezes at:

Federal Trade Commission, Consumer Response Center, 600 Pennsylvania Avenue NW, Washington, DC 20580, 1-877-IDTHEFT (438-4338), www.ftc.gov/idtheft

State Attorneys General, www.naag.org/naag/attorneys-general/whos-my-ag.php

You should contact the FTC, consumer reporting agencies, local law enforcement and/or your state attorneys general immediately if you believe you are the victim of identity theft or have reason to believe your personal information has been misused. You should also contact your local law enforcement authorities and file a police report. Obtain a copy of the police report in case you are asked to provide copies to creditors to correct your records.