

[Date]

[First Name Last Name]

[Address]

[City, State Zip]

RE: Notification of Data Breach

Dear [First Name],

Paycor provides contracted payroll services to Supreme Corporation, which includes processing tax-related information. We are sending this letter to make you aware of an unauthorized disclosure of your personal information. As we explain below, we have no reason to suspect your information is at risk of theft or misuse, and we do not believe any additional steps are required by you at this time. Should you have any questions about the contents of this notice, please contact us as provided below.

What Happened

During the normal course of business, a Paycor employee accidentally mailed an encrypted computer disc (“CD”) containing images of IRS W-2 tax information for you and fellow employees from Supreme Corporation and its affiliates. The CD was mailed directly to one recipient at another trusted Paycor client company. The same recipient of the CD also received the corresponding password to unencrypt the CD’s contents via a separate email. The recipient conducted a “spot check” of random entries in the report to ensure it contained the information she expected for her company’s employees. The recipient did not view all entries in the CD. Upon realizing that the CD did not contain information for her company, the recipient immediately notified Paycor of the mailing error. Paycor immediately took steps to ensure the CD was securely returned by the recipient, that the recipient securely deleted any relevant data from her company systems, and that the file had only been viewed by the single recipient.

The errant mailing was sent to the recipient on February 16, 2018. Paycor discovered the unauthorized disclosure on February 22, 2018, when reported to Paycor by the recipient. This limited unauthorized disclosure resulted from this single mailing error by a Paycor employee. We have no evidence of any other events resulting in a compromise of Paycor’s information security program.

Many state statutes require that a risk of harm analysis be performed to ensure that residents of the state are only warned of actual threats to their identity and not desensitized to these threats with unnecessary warnings. Based on the facts described above and the application of the reasonable risk of harm standard, Paycor, after a prompt and thorough investigation, determined that the employees’ information was not materially compromised as a result of this exposure since, based on our investigation, there is virtually no risk of identity theft or similar harm as a result of this disclosure. Thus, employees from those states that utilize the risk of harm standard did not receive a letter like this one.

What Information Was Involved

The report contained images of employee IRS W-2 forms for employees of Supreme Corporation and its affiliates. Personal information included in these images were first and last name, mailing address and Social Security Number.

What We Are Doing

Paycor has retrained the Paycor associate who made this mistake and has adjusted our process for creating CDs to require additional quality assurance testing. In accordance with standard operating procedures, we will continue to reanalyze our processes to determine whether additional safeguards can be added.

What You Can Do

There is nothing you have to do in response to this notice. Although we have no reason to believe your information is at risk of theft or misuse as a result of this mailing error, we are also offering one year of complimentary identity theft protection services as required by some state laws. Details regarding how to activate these services are provided in the paragraphs below from Experian. Furthermore, any individuals concerned about identity theft can always contact the Federal Trade Commission or one of the credit bureaus for more information about how to further protect their identities.

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. 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 offer 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.

While Identity Restoration assistance is immediately available to you, we also encourage you to activate the fraud detection tools available through Experian IdentityWorksSM as a complimentary one-year membership. This product provides you with superior identity detection and resolution of identity theft. To start monitoring your personal information please follow the steps below:

- Ensure that you **enroll by: 6/30/2018** (Your code will not work after this date.)
- **Visit** the Experian IdentityWorks website to enroll:
<https://www.experianidworks.com/credit>
- Provide your **activation code:** **[code]**

If you have questions about the product, need assistance with identity restoration that arose as a result of this incident or would like an alternative to enrolling in Experian IdentityWorks online,

please contact Experian's customer care team at 877-890-9332 by **6/30/2018**. Be prepared to provide engagement number **DB06005** as proof of eligibility for the identity restoration services by Experian.

ADDITIONAL DETAILS REGARDING YOUR 12-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.*
- **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 Million Identity Theft Insurance**:** Provides coverage for certain costs and unauthorized electronic fund transfers.

What you can do to protect your information: There are additional actions you can consider taking to reduce the chances of identity theft or fraud on your account(s). Please refer to www.ExperianIDWorks.com/restoration for this information.

For More Information:

If you feel it necessary, you can place an identity theft/fraud alert, credit freeze, or order a free credit report by calling any of the following credit reporting agencies at one of the phone numbers listed below. In some cases, fees may apply.

Equifax
P.O. Box 740256
Atlanta, GA 30348
1-888-766-0008

Experian
P.O. Box 4500
Allen, TX 75013
1-888-397-3742

Trans Union
P.O. Box 2000
Chester, PA 19022
1-800-680-7289

The Federal Trade Commission (FTC) provides more information about how to protect your identity at either <https://www.ftc.gov/> or <https://www.identitytheft.gov/>. You can also contact the FTC by using the information below.

Federal Trade Commission - 1-202-326-2222
Bureau of Consumer Protection
600 Pennsylvania Avenue, NW
Washington, DC 20580

Again, we sincerely regret that this incident has occurred. If you have any questions, please contact Stacy Horn in Paycor's Client Care Department. You can reach her at shorn@paycor.com or 513-827-3529.

Sincerely,

Stacy Horn
Paycor; Client Care
shorn@paycor.com
513-827-3529