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Return Mail Processing Center  
P.O. Box 6336  
Portland, OR 97228-6336

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**Re: NOTICE OF DATA BREACH**

Dear <<Name 1>>:

We are writing to provide you information about a data security incident involving flexPATH Strategies, LLC ("flexPATH"), a third-party adviser used by Avid Bioservices, Inc. (f/k/a Peregrine Pharmaceuticals, Inc.). flexPATH provides retirement consultants with investment analysis and target-date fund assessments. You are receiving this letter because you were a participant in our employee retirement plan during the period affected by the data security incident. We value our employees and take our responsibility to protect the privacy of your information very seriously, which is why, as a precautionary measure, we are writing to advise you about a data security incident that may involve your personal information. You will be receiving a separate notice in the mail directly from flexPATH.

While we have no reason to believe that your personal information has been misused, we are notifying you out of an abundance of caution so that you have the information and tools necessary to help detect and prevent any misuse of your personal information.

**What Information Was Involved?**

The personal information about Avid's current and former employees affected by the unauthorized access included first and last names; dates of birth; Social Security numbers; retirement account descriptors; and account dollar balance as noted in the attachment. No financial account numbers are known to have been accessed.

**What We Are Doing.**

We deeply regret that this incident occurred. While the data security incident occurred through flexPATH, we take protecting our employees and their personal information seriously. As such, we have had several conversations with flexPATH regarding the incident to best understand the nature and extent of the incident so that we may recommend certain steps you should take to protect yourself. We have also discussed with flexPATH the additional security measures they have designed and implemented to prevent the recurrence of such an incident, and the additional measures they are taking to protect the privacy of our employees.

Please note that you will be receiving a separate Notice of Breach directly from flexPATH regarding this incident within the next seven to ten days. This relates to the same incident that is described above.

flexPATH will be offering each affected current and former employee of Avid a one-year credit monitoring membership with Experian's® IdentityWorks<sup>SM</sup>. This product includes various offerings that help detect the possible misuse of your personal information and provide you with identity protection support. The information you receive from flexPATH will more fully describe these offerings, as well as contain additional information on ways you can protect yourself. **We strongly encourage you to enroll in IdentityWorks<sup>SM</sup> as well as consider additional steps to protect yourself, such as implementing credit freezes with the other two credit reporting companies, TransUnion and Equifax.** Please contact Mark Ziebell (mziebell@avidbio.com or 714-508-6080) if you have not received your Notice of Breach from flexPATH by Monday, March 25, 2019.

**What You Can Do.**

You should carefully review the information that will be included with the letter you receive from flexPATH for further information on how you can protect yourself against any misuse of your personal information, including protective steps you may take. Given the nature of the information potentially exposed, we strongly recommend that you check and monitor your accounts. We also recommend changing your retirement account password.

**Other Important Information.**

Please see the attachment page to this letter for information from the Federal Trade Commission as well as information about Obtaining a Free Credit Report or Placing a Fraud Alert or Security Freeze and Filing a Police Report for Suspicious Activity.

**For More Information.**

The letter you receive from flexPATH will contain a telephone number should you have any questions regarding this matter. In addition, you may contact Mark Ziebell at [mziebell@avidbio.com](mailto:mziebell@avidbio.com) or (714) 508-6080.

Sincerely,



Mark R. Ziebell  
General Counsel

## **Further Information and Steps You Can Take**

### **Information from the Federal Trade Commission**

The Federal Trade Commission provides suggestions and other information for actions in the event of identity theft, including information about fraud alerts and security freezes, at <http://www.consumer.ftc.gov/features/feature-0014-identity-theft>. You may also contact the Federal Trade Commission for more information toll-free at 1-877-ID-THEFT (438-4338) (TTY: 1-866-653-4261), or write Identity Theft Clearinghouse, Federal Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580.

### **Obtaining a free credit report or placing a fraud alert or security freeze**

You may obtain a free copy of your credit report from each of the credit bureaus once a year by going to <http://www.annualcreditreport.com> or calling 877-322-8228. Hearing impaired consumers can access TDD services at 877-730-4104. We encourage you to vigilantly monitor these reports, as well as your credit and debit card statements. You may also place a fraud alert or security freeze on your credit report by contacting the credit bureaus as listed below.

<b>Equifax</b>	<b>Experian</b>	<b>TransUnion</b>
P.O. Box 740241	P.O. Box 9554	P.O. Box 6790
Atlanta, GA 30374	Allen, TX 75013	Fullerton, CA 92834
1-888-766-0008	1-888-397-3742	1-800-680-7289
<a href="http://www.equifax.com">www.equifax.com</a>	<a href="http://www.experian.com">www.experian.com</a>	<a href="http://www.transunion.com">www.transunion.com</a>

A security freeze will prevent new credit from being opened in your name without the use of a personal identification number or password that will be issued by the credit bureaus after you initiate the freeze. A security freeze will also prevent potential creditors from accessing your credit report without your authorization. However, please be aware that placing a security freeze on your credit report may delay, interfere with, or prevent the timely approval of any requests you make for new loans, mortgages, employment, housing or other services. In order to place a security freeze, you may be required to provide the credit bureaus with information that identifies you, including your full name, Social Security number, date of birth, current and previous addresses, a copy of your state-issued identification card, and a recent utility bill, bank statement or insurance statement. Credit bureaus may charge a fee up to \$10 to place, lift, or remove the security freeze; however, this fee may be less in certain states or waived if you are the victim of identity theft and you provide a valid police report. You must separately place a security freeze on your credit file with each credit reporting agency.

### **Filing a Police Report for Suspicious Activity**

If you believe you are the victim of identity theft or have reason to believe your personal information has been misused, immediately call your local police or sheriff's office and file a police report of identity theft. Get a copy of the police report. You may need to give copies of the police report to creditors to clear up your records. In addition, you should report identity theft to your state's Attorney General and the Federal Trade Commission.