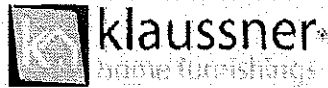


14860



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

<<Mail ID>>  
<<Name 1>>  
<<Name 2>>  
<<Address 1>>  
<<Address 2>>  
<<Address 3>>  
<<Address 4>>  
<<Address 5>>  
<<City>><<State>><<Zip>>  
<<Country>>

<<Date>>

Dear <<Name 1>>:

**NOTA: Este es un aviso de un incidente de seguridad de la información. Si desea solicitar una versión de este aviso en español, llame a 855-571-5865 entre las horas de 9-9 Hora del Este, de lunes a viernes (excepto los días festivos).**

*Notice of Security Incident*

We are writing to inform you of a potential security incident involving certain personal information you provided to Klaussner Furniture Industries, Inc. ("Klaussner"). While we do not have any indication that your personal information was accessed or taken by any unauthorized person, out of an abundance of caution we are providing this notice to inform you of the incident and call your attention to some steps you can take to help protect yourself. We sincerely regret any concern this may cause you.

*What Happened*

Klaussner recently learned that an unauthorized individual gained access to two computers on our network that contained certain personal information about a limited number of our current or former employees, and some of their dependents. **However, after an extensive investigation — using a top forensic firm — we found no indications that any personal information was accessed on or taken from these computers.**

*What Information Was Involved*

The information stored in the affected computers varies by individual, but may include first and last names, addresses, Social Security numbers, financial account numbers, dates of birth, health information, and health benefit election(s). Based on our investigation, it appears you are one of the individuals whose information was stored in the relevant computers, and therefore, the incident may have affected your information.

*What We Are Doing*

Klaussner takes the privacy of personal information seriously and deeply regrets that this incident occurred. We took steps to address this situation promptly after we discovered it. Our Information Technology (IT) personnel promptly initiated an internal investigation of the incident. We also retained the assistance of a top forensic investigation firm. In addition, we have taken steps to bolster our information security, including by rebuilding affected systems, installing additional security measures, and exploring additional security changes in order to help prevent this type of incident from reoccurring in the future. We have also notified law enforcement of the incident and will cooperate with any investigation.

As a precaution, to help protect your identity, we are offering one year of complimentary identity protection services from a leading identity monitoring services company.

### ***What You Can Do***

Although we are not aware of any identity theft or misuse of information arising out of this incident, we want to make you aware of steps that you can take as a precaution:

- **Activating the Complimentary Identity Protection Services.** As outlined above, we are offering one year of identity theft protection and credit monitoring services at no charge to you. These services help detect possible misuse of your personal information and provide you with superior identity protection support focused on immediate identification and resolution of identity theft. For more information about these services and instructions on completing the enrollment process, please refer to the "Information about Identity Theft Protection" reference guide attached to this letter. Note that you must complete the enrollment process by <<Enrollment Deadline>>.
- **Checking Credit Reports and Financial Accounts.** You can carefully check your credit reports for accounts that you did not open or for inquiries from creditors you did not initiate. If you see anything you do not understand, call the credit agency immediately. If you find any suspicious activity on your credit reports, call your local police or sheriff's office, and file a police report for identity theft and get a copy of it. You may need to give copies of the police report to creditors to clear up your records. You can also review your financial account statements to determine if there are any discrepancies or unusual activity listed. If you see anything you do not recognize or understand, call the financial institution immediately.
- **Consulting the Identity Theft Protection Guide.** Finally, please review the "Information about Identity Theft Protection" reference guide, included here, which describes additional steps that you may wish to take to help protect yourself, including recommendations by the Federal Trade Commission regarding identity theft protection and details on placing a fraud alert or a security freeze on your credit file.

### ***For More Information***

For more information about this incident, or if you have questions or concerns, you may contact our retained call center at 855-571-5865 between the hours of 9 am to 9 pm Eastern Time, Monday through Friday (except for holidays). Again, we sincerely regret any concern this incident may cause you.

Sincerely,



Bill Wittenberg  
Chief Executive Officer  
Klaussner Furniture Industries, Inc.

## **Information about Identity Theft Protection**

To help protect your identity, we are offering a complimentary membership in Experian's® IdentityWorks®. This product helps detect possible misuse of your personal information and provides you with superior identity protection support focused on immediate identification and resolution of identity theft. Included with this service are fraud resolution services that provide an Experian Identity Restoration agent to work with you to investigate and resolve each incident of fraud that occurred from the date of the incident (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). While this Identity Restoration assistance is immediately available to you without any further action on your part, you can also activate the fraud detection tools available through enrolling in IdentityWorks® at no cost to you. To enroll in these services, visit: <https://www.experianidworks.com/credit> by <<Enrollment Deadline>>, and use the following activation code: <<Activation Code>>. You may also enroll over the phone by calling 877-890-9332 between the hours of 9:00 AM and 9:00 PM (Eastern Time), Monday through Friday and between 11:00 AM and 8:00 PM Saturday (excluding holidays). Please provide the following engagement number as proof of eligibility: <<Engagement Number>>.

Once you enroll in IdentityWorks, you will have access to the following features:

- **Experian credit report at signup:** See what information is associated with your credit file.
- **Credit Monitoring:** Actively monitors Experian file for indicators of fraud.
- **Fraud Resolution:** Identity Theft Resolution agents are immediately available to help you address credit and non-credit related fraud.
- **ExtendCARE:** You receive the same high-level of Fraud Resolution support even after your IdentityWorks membership has expired.
- **\$1 Million Identity Theft Insurance<sup>1</sup>:** Provides coverage for certain costs and unauthorized electronic fund transfers

A credit card is not required for enrollment in IdentityWorks. 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](http://www.ExperianIDWorks.com/restoration) for this information.

**Review Accounts and Credit Reports:** You can regularly review statements from your accounts and periodically obtain your credit report from one or more of the national credit reporting companies. You may obtain a free copy of your credit report online at [www.annualcreditreport.com](http://www.annualcreditreport.com), by calling toll-free 1-877-322-8228, or by mailing an Annual Credit Report Request Form (available at [www.annualcreditreport.com](http://www.annualcreditreport.com)) to: Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA, 30348-5281. You may also purchase a copy of your credit report by contacting one or more of the three national credit reporting agencies listed at the bottom of this guide.

You should remain vigilant with respect to reviewing your account statements and credit reports, and you should promptly report any suspicious activity or suspected identity theft to the proper law enforcement authorities, including local law enforcement, your state's attorney general, and/or the Federal Trade Commission ("FTC"). You may contact the FTC or your state's regulatory authority to obtain additional information about preventing and avoiding identity theft: Federal Trade Commission, Consumer Response Center 600 Pennsylvania Avenue NW, Washington, DC 20580, 1-877-IDTHEFT (438-4338), [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft).

**For residents of Maryland:** You may also obtain information about preventing and avoiding identity theft from the Maryland Office of the Attorney General: Maryland Office of the Attorney General, Consumer Protection Division, 200 St. Paul Place, Baltimore, MD 21202, 1-888-743-0023, <http://www.marylandattorneygeneral.gov/>.

**For residents of North Carolina:** You may also obtain information about preventing and avoiding identity theft from the North Carolina Attorney General's Office: North Carolina Attorney General's Office, Consumer Protection Division, 9001 Mail Service Center, Raleigh, NC 27699-9001, 1-877-5-NO-SCAM (566-7226), [www.ncdoj.gov](http://www.ncdoj.gov).

<sup>1</sup> Identity theft insurance is underwritten by insurance company subsidiaries or affiliates of American International Group, Inc. (AIG). The description herein is a summary and intended for informational purposes only and does not include all terms, conditions and exclusions of the policies described. Please refer to the actual policies for terms, conditions, and exclusions of coverage. Coverage may not be available in all jurisdictions.

## Security Freezes and Fraud Alerts:

You have a right to place a security freeze on your credit report, which will prohibit a consumer reporting agency from releasing information in your credit report without your express authorization. The security freeze is designed to prevent credit, loans, and services from being approved in your name without your consent. However, you should be aware that using a security freeze to take control over who gets access to the personal and financial information in your credit report may delay, interfere with, or prohibit the timely approval of any subsequent request or application you make regarding a new loan, credit, mortgage, or any other account involving the extension of credit.

A security freeze does not apply to a person or entity, or its affiliates, or collection agencies acting on behalf of the person or entity, with which you have an existing account that requests information in your credit report for the purposes of reviewing or collecting the account. Reviewing the account includes activities related to account maintenance, monitoring, credit line increases, and account upgrades and enhancements. Please contact the three major credit reporting companies as specified below to find out more information about placing a security freeze on your credit report.

As an alternative to a security freeze, you have the right to place an initial or extended fraud alert on your credit file at no cost. An initial fraud alert is a 1-year alert that is placed on a consumer's credit file. Upon seeing a fraud alert display on a consumer's credit file, a business is required to take steps to verify the consumer's identity before extending new credit. If you are a victim of identity theft, you are entitled to an extended fraud alert, which is a fraud alert lasting 7 years. You can place a fraud alert on your credit report by contacting any of the three national credit reporting agencies at the addresses or toll-free numbers listed at the bottom of this guide.

You can obtain more information about fraud alerts and credit freezes by contacting the FTC or one of the national credit reporting agencies listed below.

**Additional Information for Massachusetts Residents:** Massachusetts law gives you the right to place a security freeze on your consumer reports. By law, you have a right to obtain a police report relating to this incident, and if you are the victim of identity theft, you also have the right to file a police report and obtain a copy of it. You may request that a freeze be placed on your credit report by sending a request to a credit reporting agency by certified mail, overnight mail or regular stamped mail to the address below. The following information should be included when requesting a security freeze (documentation for you and your spouse must be submitted when freezing a spouse's credit report): full name, with middle initial and any suffixes; Social Security number, date of birth (month, day and year); current address and previous addresses for the past five (5) years; and applicable fee (if any) or incident report or complaint with a law enforcement agency or the Department of Motor Vehicles. The request should also include a copy of a government-issued identification card, such as a driver's license, state or military ID card, and a copy of a utility bill, bank or insurance statement. Each copy should be legible, display your name and current mailing address, and the date of issue (statement dates must be recent).

### National Credit Reporting Agencies' Contact Information

Equifax (www.equifax.com)  
**General Contact:**

P.O. Box 740241  
Atlanta, GA 30374  
800-685-1111

**Fraud Alerts:**

P.O. Box 740256, Atlanta, GA 30374

**Credit Freezes:**

P.O. Box 105788, Atlanta, GA 30348

Experian (www.experian.com)  
**General Contact:**

P.O. Box 2002  
Allen, TX 75013  
888-397-3742

**Fraud Alerts and Security Freezes:**

P.O. Box 9554, Allen, TX 75013

TransUnion (www.transunion.com)  
**General Contact, Fraud Alerts  
and Security Freezes:**

P.O. Box 2000  
Chester, PA 19022  
888-909-8872