

June 7, 2016

Via email Idtheft@oag.state.md.us
Office of the Attorney General
Attn: Security Breach Notification

To whom it may concern:

We serve as legal counsel to 37th Parallel Properties Investment Group, LLC, a Virginia limited liability company, and its affiliates (collectively, the “Company”).

On May 9, 2016, the Company became aware that unauthorized parties had gained access to the email account of one of its employees (the “Compromised Account”). The Company learned of the incident when one of its clients forwarded to the Company’s CEO a suspicious email from the employee to the client. The Company’s investigation indicates that the unauthorized party first accessed the Compromised Account on or before April 25, 2016.

Within a day after discovery of the incident, the Company implemented additional security measures, including two-factor authentication for all of its electronic accounts. The Company has no evidence that unauthorized account access occurred after May 9, 2016.

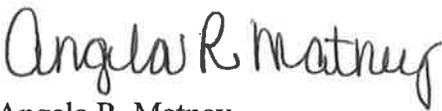
The Company’s investigation has determined that documents accessible through the Compromised Account contained the social security number of one (1) Maryland resident. The Company has no direct evidence that the social security number of the affected individual was accessed by the unauthorized third party; however, it cannot definitively conclude that the social security number was not accessed. Accordingly, the Company is notifying the affected individual of the incident and offering twelve (12) months of free identity protection services.

A sample of the Company's notification to affected individuals is enclosed.

The Company is surprised and disappointed that this incident occurred. The Company is actively working to assess its IT infrastructure and address any vulnerabilities.

Should you have any questions, please do not hesitate to contact me.

Sincerely,


Angela R. Matney

ARM:dg
Enclosure

cc: 37th Parallel Properties Investment Group, LLC (by e-mail)

[INDIVIDUAL NAME]
[STREET ADDRESS]
[CITY, STATE AND POSTAL CODE]
[DATE]

Re: Notice of Data Breach

Dear [INDIVIDUAL NAME]:

We value our relationship with you and respect the privacy of your information, which is why, as a precautionary measure, we are writing to let you know about a data security incident that may involve your personal information.

WHAT HAPPENED. On May 9, 2016, we discovered that an unauthorized third party had accessed an email account belonging to one of our employees. Our investigation suggests the unauthorized party first gained access on or before April 25, 2016.

WHAT INFORMATION WAS INVOLVED. The data accessed may have included personal information such as your first and last name, email address, account number(s) and social security number. To our knowledge, the data that may have been accessed did not include any access codes or account passwords.

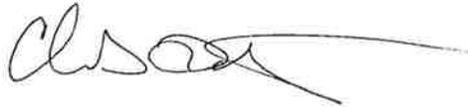
WHAT WE ARE DOING. 37th Parallel values your privacy and deeply regrets that this incident occurred. We are conducting a thorough review of the potentially affected system. We have implemented additional security measures designed to prevent a recurrence of such an attack, and to protect the privacy of our valued investors.

The company also will fully cooperate with law enforcement to ensure the incident is properly addressed.

WHAT YOU CAN DO. Please review the attachment to this letter (Steps You Can Take to Further Protect Your Information) for further information on steps you can take to protect your information, and how to receive free identity theft protection for one year.

FOR MORE INFORMATION. For further information and assistance, please contact me at (804) 915-7013 x1805 between 9:00 a.m.- 5:00 p.m. EST daily, or email me at cdoty@37parallel.com.

Sincerely,



Chad A. Doty
CEO, Managing Partner

STEPS YOU CAN TAKE TO FURTHER PROTECT YOUR INFORMATION

- **Review Your Account Statements and Notify Law Enforcement of Suspicious Activity**

As a precautionary measure, we recommend that you remain vigilant by reviewing your account statements and credit reports closely. If you detect any suspicious activity on an account, you should promptly notify the financial institution or company with which the account is maintained. You also should promptly report any fraudulent activity or any suspected incidence of identity theft to proper law enforcement authorities, your state attorney general, and/or the Federal Trade Commission.

To file a complaint with the FTC, go to www.ftc.gov/idtheft or call 1-877-ID-THEFT (877-438-4338). Complaints filed with the FTC will be added to the FTC's Identity Theft Data Clearinghouse, which is a database made available to law enforcement agencies.

- **Copy of Credit Report**

You may obtain a free copy of your credit report from each of the three major credit reporting agencies once every 12 months by visiting <http://www.annualcreditreport.com>, calling toll-free 877-322-8228, or by completing an Annual Credit Report Request Form and mailing it to Annual Credit Report Request Service, P.O. Box 105281, Atlanta, GA 30348. You can print a copy of the request form at <https://www.annualcreditreport.com/cra/requestformfinal.pdf>. Or you can elect to purchase a copy of your credit report by contacting one of the three national credit reporting agencies. Contact information for the three national credit reporting agencies for the purpose of requesting a copy of your credit report or for general inquiries is provided below:

Equifax (800) 685-1111 www.equifax.com P.O. Box 740241 Atlanta, GA 30374	Experian (888) 397-3742 www.experian.com 535 Anton Blvd., Suite 100 Costa Mesa, CA 92626	TransUnion (800) 916-8800 www.transunion.com P.O. Box 2000 Chester, PA 19016
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- **Fraud Alert**

Because your social security number may have been involved, you may want to consider placing a fraud alert on your credit report. An initial fraud alert is free and will stay on your credit file for at least 90 days. The alert informs creditors of possible fraudulent activity within

your report and requests that the creditor contact you prior to establishing any accounts in your name. To place a fraud alert on your credit report, contact any of the three credit reporting agencies identified above. Additional information is available at <http://www.annualcreditreport.com>.

- **Credit Report Monitoring**

In addition, 37th Parallel is offering you a complimentary one-year subscription to LifeLock. While you can and should review your credit reports periodically, LifeLock offers several automated identity protection tools that you may find convenient. To take advantage of this offer, email Patricia Duncan at pduncan@37parallel.com and let her know you would like a complimentary Lifelock subscription. She will then send an enrollment email to you within 2 business days.

To take advantage of this offer, you must enroll within ninety (90) days from receipt of this letter.

- **Security Freeze**

In some US states, you have the right to put a security freeze on your credit file. This will prevent new credit from being opened in your name without the use of a PIN number that is issued to you when you initiate the freeze. A security freeze is designed to prevent potential creditors from accessing your credit report without your consent. As a result, using a security freeze may interfere with or delay your ability to obtain credit. You must separately place a security freeze on your credit file with each credit reporting agency. Additionally, if you request a security freeze from a consumer reporting agency there may be a fee up to \$5 to place, lift or remove the security freeze. In order to place a security freeze, you may be required to provide the consumer reporting agency 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.

- **Additional Free Resources on Identity Theft**

You may wish to review the tips provided by the Federal Trade Commission on how to avoid identity theft. For more information, please visit <http://www.ftc.gov/idtheft> or call 1-877-ID-THEFT (877-438-4338). A copy of Taking Charge: What to Do if Your Identity is Stolen, a comprehensive guide from the FTC to help you guard against and deal with identity theft, can be found on the FTC's website at <http://www.ftc.gov/bcp/edu/pubs/consumer/idtheft/idth04.shtm>.

Maryland residents may also wish to review information provided by the Maryland Attorney General on how to avoid identity theft at <http://www.oag.state.md.us/idtheft>, or by sending an email to idtheft@oag.statemd.us, or calling 410-576-6491.

North Carolina residents may wish to review information provided by the North Carolina Attorney General at <http://www.ncdoj.gov>, by calling 877-566-7226, or writing to 9001 Mail Service Center, Raleigh, NC 27699.

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FACT SHEET

LIFELock BENEFIT ELITE™



LifeLock Benefit Elite™ protection is aimed squarely at what matters to employees – helping protect their identities and helping protect their nest eggs. While most employees have a 401(k), many may set it and forget it – which means they could miss important cues that may indicate potential fraud. LifeLock Benefit Elite protection helps detect potential fraud and brings it to the attention of employees through alerts within the company's network via email, text or phone.† The company's network, however, does not cover all transactions.

Available only through employers, LifeLock Benefit Elite protection helps protect 401(k) and other investment accounts from fraudulent withdrawals and balance transfers. LifeLock also searches over a trillion data points every day for potential threats to its members' personal identity, including suspicious uses of name, address, phone number, birth date, and Social Security number to obtain loans, credit and services, or to commit crimes.

If an employee becomes a victim of identity theft while a LifeLock member, LifeLock will spend up to \$1 million to hire the necessary lawyers, accountants and investigators to help with recovery.‡

Detect and Alert Benefits

- ✔ **LifeLock Identity Alert® System¹**
It's the foundation for all LifeLock services. We send alerts through the patented LifeLock Identity Alert system by text, phone or email* and our Identity Restoration Specialists are there to help.
- ✔ **Investment Account Activity Alerts¹**
Investment and retirement accounts, like your 401(k), can be the lifeline for financial growth. We'll help protect your nest egg from fraudulent cash withdrawals and balance transfers.¹
- ✔ **Fictitious Identity Monitoring**
We scan for names and addresses connected with your Social Security number to help protect against criminals building fictitious identities to open accounts or commit fraud.
- ✔ **Address Change Verification**
Identity thieves try to divert mail to get important financial information. LifeLock lets you know of change-in-address requests linked to your identity.
- ✔ **Courts Records Scanning**
We check court records for matches of your name and date of birth to criminal activity. It can help protect you from being falsely linked to arrests and convictions you know nothing about.
- ✔ **Black Market Website Surveillance**
Identity thieves buy, sell and trade personal information on black market websites around the world. LifeLock patrols over 10,000 criminal websites and notifies you if we find your data, so we can help you take action.
- ✔ **Data Breach Notifications**
Your identity is virtually everywhere. Doctors, insurance companies, employers, even your favorite retailers. We'll let you know about large scale data breaches, so you can help protect your personal information.
- ✔ **Reduced Pre-Approved Credit Card Offers**
Pre-approved credit card offers can provide important information to identity thieves. LifeLock will request your name be removed from many pre-approved credit card mailing lists.

About LifeLock

LifeLock is the leader in identity theft protection services. Unlike a bank, a credit card company or a credit bureau, our focus is on protecting your identity – to help keep you safer in an always-connected world.

3 Layers of Protection

DETECT

We're searching over a trillion data points every day looking for potential threats to your identity.

ALERT

With the patented LifeLock Identity Alert® system†, as soon as we detect a threat to your identity, you'll be notified by text, phone or email, to help stop thieves before they can do damage to your identity.

RESTORE

If you do become a victim, our U.S. based Identity Restoration Specialists are available to handle your case every step of the way.

(Continued on reverse)

¹ Fastest alerts require member's current email address. Phone alerts made during normal business hours.
² Network does not cover all transactions.
³ The benefits under the Service Guarantee are provided under a Master Insurance Policy underwritten by State National Insurance Company. As this is only a summary policy, the terms and restrictions can be found at LifeLock.com/legal

Identity Restoration Benefits

- ✔ **Lost Wallet Protection**
A lost wallet can mean a lost identity. Call us if your wallet is lost or stolen and we'll help cancel and/or order credit cards, driver's licenses, Social Security cards, insurance cards and more.
- ✔ **Live Identity Protection Agents**
U.S.-based Identity Protection Agents are available to help with questions or claims 24/7. You can log in to your online account at LifeLock.com, email Member.Services@LifeLock.com or call 1-800-LifeLock (543-3562).
- ✔ **Identity Restoration Support**
If your identity is compromised, an Identity Restoration Specialist will personally handle your case and help restore your identity.
- ✔ **\$1 Million Total Service Guarantee***
If you become a victim of identity theft while a LifeLock member, we'll spend up to \$1 million to hire the necessary lawyers, accountants and investigators to help your recovery.†

Available with an adult membership:

LIFELock JUNIOR PROTECTION



A child's clean and unmonitored credit file is a gold mine for identity thieves. With a combination of advanced monitoring features uniquely designed for children, LifeLock Junior™ protection helps proactively safeguard their personal information.



Alerts for What Matters Most

LifeLock Protects You in Ways
You Can't Protect Yourself



No one can prevent all identity theft.

* Fastest alerts require member's current email address. Phone alerts made during normal business hours.

† Network does not cover all transactions.

‡ The benefits under the Service Guarantee are provided under a Master Insurance Policy underwritten by State National Insurance Company.

As this is only a summary policy the terms and restrictions can be found at LifeLock.com/legal.

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