

<<Mail ID>> <<Name>> <<Address 1>> <<Address 2>> <<City>>, <<State>> <<Zip>>>

<<Date>>

RE: Your payment card ending in <<credit card last 4 digits>>

Dear <<Name>>,

At prAna, we value our relationship with our customers and understand the importance of protecting personal information. We are writing to inform you about an incident that may involve some of that information, including your payment card information.

On February 6, 2017, we detected that an unauthorized third party may have obtained access to the servers that operate our e-commerce website, www.prana.com. We immediately hired a leading cybersecurity firm to assist us in our investigation and remediate the website. We have notified the FBI and will cooperate with any ensuing investigation.

Findings from the investigation show that an unauthorized third party captured information as it was being entered on the site during the checkout process for orders placed from December 14, 2016 to February 6, 2017. Based on our investigation, we believe the unauthorized third party also may have decrypted an internal database containing information from completed orders prior to February 6, 2017. The information that may have been affected includes your name, address, phone number, email address, payment card number ending in <<last 4 digits>>, expiration date and security code (CVV), and username and account password for our website.

We encourage that you remain vigilant to the possibility of fraud by reviewing your financial statements for any unauthorized activity. You should immediately report any unauthorized charges to your financial institution because the major credit card companies have rules that restrict them from requiring you to pay for fraudulent charges that are timely reported. You should also review the additional information on the following page on ways to protect yourself.

If you have a prana.com account, for your security you will need to reset your password before you are able to use your account. Also, if you use the same username and password for any other account, we recommend that you change your password there as well.

We apologize for any inconvenience or concern this may have caused. To help prevent this type of incident from happening again, we are continuing to take steps to strengthen the security of our e-commerce website.

If you have questions, please call 1-844-685-5625, Monday through Friday, from 9 a.m. to 9 p.m. EST (closed on U.S. observed holidays).

Sincerely,

Scott Kerslake CEO, prAna

R0521 v.02 03.03.2017

MORE INFORMATION ON WAYS TO PROTECT YOURSELF NOTICE AS REQUIRED BY STATE LAW

It is recommended that you remain vigilant for incidents of fraud or identity theft by reviewing your account statements and free credit reports for any unauthorized activity. You may obtain a copy of your credit report, free of charge, once every 12 months from each of the three nationwide credit reporting companies. To order your annual free credit report, please visit www.annualcreditreport.com or call toll free at 1-877-322-8228. Contact information for the three nationwide credit reports is as follows:

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

If you believe you are the victim of identity theft or have reason to believe your personal information has been misused, you should immediately contact the Federal Trade Commission and/or the Attorney General's office in your state. You can obtain information from these sources about steps an individual can take to avoid identity theft as well as information about fraud alerts and security freezes. 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. Contact information for the Federal Trade Commission is as follows:

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