



March 3, 2021

Dear Valued Clients,

Yesterday, articles began to appear in the media regarding the current outage of PrismHR's software platform. PrismHR is the service provider for the Lyons HR client and employee portals. As stated in our previous communications, we anticipate situations such as this and have begun our standard contingency planning for issuing payroll and any other immediate client needs. We remain committed to ensuring your employees receive their pay and deductions are processed appropriately. Once the PrismHR payroll platform is operational, we will determine the need for any correcting adjustments to employee wages, withholding and deductions, including those for client-sponsored benefit plans.

Earlier today, PrismHR informed us that its teams continue to make steady progress on restoring the cloud systems, with core payroll functionality being the top priority. PrismHR has further indicated they are not aware of any sensitive data being breached or compromised. If anything on this front were to change, we will notify you immediately. PrismHR recently shared a public statement regarding the situation, and we wanted to share that with you.

*"We recently experienced a cyber incident that affected our payroll and benefits software used by Professional Employer Organizations (PEOs) throughout the US. We immediately disabled access to the system to protect customer information and engaged top-tier security experts to help on this. We are working quickly to restore customer access to our platform. While we are still looking into this, there is currently no evidence of unauthorized access or theft of data contained on our servers."*

If you have not yet been contacted via phone and would like to discuss this matter further, please feel free to contact your Human Resources Manager immediately.

Again, thank you for your patience and continued collaboration.

Lyons HR