

September 4, 2009



New Hampshire Attorney General
33 Capitol Street
Concord, New Hampshire 03301

Fortune Industries, Inc.

6402 Corporate Drive
Indianapolis, IN 46278

Re: KSM Business Services, Inc. ("KSM") Security Breach Notification

Dear Sir or Madam:

You have received a notification letter from our service provider, KSM Business Services, Inc. ("KSM"), concerning a security breach that involved personal information of employees of several affiliates of Fortune Industries, Inc., including Century II Staffing USA, Inc. ("the Fortune Industries Affiliates"). A copy of that notification letter from KSM is attached.

As noted in that letter, apparently, in late July, a laptop computer was stolen from an employee of KSM. As also noted in that letter, KSM has reason to believe that the stolen laptop contained data files that included personal information (such as names, addresses, and social security numbers) of certain individuals, including residents of Indiana. We were notified of the breach on August 21, 2009.

Approximately 180 residents of New Hampshire who are employees of the Fortune Industries Affiliates were affected by this incident and will be receiving notifications from KSM and us. A copy of our sample notification to these employees is also attached.

If you would like any additional information regarding the incident or the notifications that will be sent, please contact me at

Sincerely,

A handwritten signature in black ink, appearing to read 'Kim Troup', written over a light blue horizontal line.

Kim Troup
on behalf of Fortune Industries, Inc.

KSM Business Services, Inc.
800 E. 96th Street, Suite 500
Indianapolis, IN 46240

August 31, 2009

«First_Name» «Last_Name»
«Address1»
«Address2»
«City», «State» «Zip»

***Important Security and Protection Notification.
Please read this entire letter.***

Dear «First_Name»:

We are writing to notify you that a laptop computer recently was stolen from an employee of KSM Business Services, Inc. ("KSM"). KSM is the Third-Party Administrator (TPA) and/or Plan Auditor for your retirement account. Even though you may not be a participant in the company 401k plan, your information was included in the required census file for annual testing. The stolen laptop contained data files that included personal information of some of the clients of KSM. The appropriate law enforcement authorities are involved, and KSM is fully cooperating with the investigation.

Although it does not appear that the laptop was stolen for the purposes of gaining access to any personal information, we are bringing this incident to your attention because information about you may have been contained in the electronic files on the stolen laptop. The laptop itself was password protected. The personal (known only to you) passwords/PIN's you have established to access your retirement account with John Hancock have not been affected. In addition, procedures are in place to prohibit unauthorized access to your retirement account. However, we understand the importance of alerting you to this matter.

KSM has notified the three major credit reporting agencies – Equifax® (800) 525-6285, Experian® (888) 397-3742, and TransUnion® (800) 680-7289 of the aforementioned possible loss of your personal data.

KSM also has arranged for you to receive a free one-year membership in Triple AlertSM from ConsumerInfo.com, Inc., an Experian company, to provide you with credit monitoring capabilities and assistance with identity theft protection, including identity theft insurance*. Triple Alert is completely free and enrolling in this program will not hurt your credit score. You also may wish to visit the Federal Trade Commission's website at <http://www.ftc.gov/bcp/edu/microsites/idtheft/> for other tips on how to guard against misuse of personal information.

First step: Activate your complete credit monitoring product from Experian.

To activate your complimentary one year membership in Triple Alert from Experian, visit the website listed below and enter your individual activation code. If you prefer, you can enroll on the phone by speaking with Experian Customer Care representatives toll-free at (866) 252-0121.

**Triple Alert Web Site: <http://partner.consumerinfo.com/ksm>
Your Activation Code: «Activation_Code»
You Must Enroll By: 11/29/2009**

As soon as you enroll in your complimentary Triple Alert membership, Experian will begin to monitor your credit reports from Experian, Equifax and TransUnion on a daily basis and notify you of key changes. This powerful tool will help you identify potentially fraudulent use of your information, and provide you with immediate assistance from a dedicated team of fraud resolution representatives should you ever need help.

Your complimentary 12-month Triple Alert membership includes:

- Daily monitoring and timely alerts of any key changes to your credit reports—so you know when there is any activity that you should be made aware of such as notification on new inquiries, newly opened accounts, delinquencies, public records or address changes
- Toll-free access to a dedicated team of fraud resolution representatives who will help you investigate each incident; contact credit grantors to dispute charges, close accounts if need be, and compile documents; and contact all relevant government agencies
- \$25,000 in identity theft insurance coverage (\$10,000 for New York state residents) with zero deductible provided by Virginia Surety Company, Inc. for certain identity theft expenses*

**Activate your membership today for immediate protection at <http://partner.consumerinfo.com/ksm>
Or call (866) 252-0121 to register with this activation code: [activation code]**

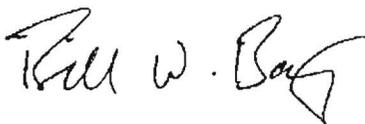
You have ninety (90) days to activate this membership, which will then continue for 12 full months. To get the benefits of Triple Alert, you must enroll.

Once your enrollment in Triple Alert is complete, you should carefully review your credit reports for inaccurate or suspicious items. If you have questions about Triple Alert, need help understanding something on your credit report or suspect that an item on your credit report may be fraudulent, please contact Experian's customer care at (866) 252-0121.

KSM takes its obligation to protect the privacy and security of your personal data very seriously. KSM is continually reviewing and modifying its systems and practices to enhance the security of sensitive information. Although this situation resulted from an apparently criminal act over which KSM had no control, we nevertheless offer you our heartfelt apology for any inconvenience or concern this situation causes.

Should you have questions or concerns regarding this matter and/or the protections available to you, please do not hesitate to contact Experian at (866) 252-0121.

Sincerely,



Bill W. Barks, CPA



Patrick R. Brauer, CPA

* Insurance coverage is not available in US overseas Commonwealth or Territories (including but not limited to Puerto Rico and the U.S. Virgin Islands).