

Penn Capital COVID-19 Operational Update – March 20, 2020

Penn Capital communicated earlier that we began taking steps to ensure the safety of our employees and the continuity of our operations.

On Thursday, March 19th, Pennsylvania Governor Tom Wolf directed all non-life sustaining business to close by 8pm that evening. As a result, Penn Capital has closed its office, but business continues as usual. Penn Capital began its pandemic preparation in January 2020 as we closely monitored the spread of the Coronavirus epidemic. Since that time, we have actively taken steps to ensure the safety of our employees and the continuity of our operations.

Beginning March 16th, Penn Capital began social distancing efforts by allowing employees to work remotely on a rotational basis. Penn Capital routinely tests our business continuity measures and our business process capabilities to prepare for a possible need to social distance and work remotely as part of our business continuity preparations. On any given day we have employees working remotely so our technology is routinely tested. Penn Capital operates a fully redundant data center with emergency power capabilities. Mission critical data is replicated in near real-time to our off-site co-location facility, which is a Tier 3 (redundant power and cooling) data center. Both facilities are fully accessible remotely and are used regularly. Furthermore, Penn Capital successfully completed its last offsite Business Continuity test in November 2019. Our past week of business operations with a large percentage of staff working from home has established that we are ready to meet this present challenge.

On March 20th, in direct response to Governor Wolf's mandate, Penn Capital has directed all employees to work remotely. Systems are actively being monitored and business operations continue normally. Daily coordination of our business activities is occurring through scheduled tele-conference meetings and online collaborative technology tools.

We understand this situation continues to rapidly evolve and create uncertainty and concern. We encourage our clients, business partners, and employees to be diligent regarding their health and wellbeing as a priority, so that we can both continue to operate effectively and help prevent further spread of the virus. In the meantime, Penn Capital stands ready to meet our clients and prospects investment needs.