

EXHIBIT 1

By providing this notice, Kovack Financial, LLC (“Kovack”) does not waive any rights or defenses regarding the applicability of Washington law, the applicability of the Washington data event notification statute, or personal jurisdiction.

Nature of the Data Event

Kovack became aware of suspicious activity on our computer network on or around August 28, 2025. Kovack promptly took steps to secure our network and launched an investigation to determine the full nature and scope of the event. Kovack’s investigation determined that an unknown actor gained access to files within our network between August 8, 2025 to August 27, 2025. Kovack then undertook a review of the files to determine what was contained therein and to whom it related for purposes of providing notice. This review completed on July 16, 2026.

The information that could have been subject to unauthorized access includes name, Social Security number, driver’s license number, passport number, payment card information, medical information and financial account information.

Notice to Washington Residents

On or about August 10, 2026, Kovack provided written notice of this incident to six hundred fifty-seven (657) Washington residents. Written notice is being provided in substantially the same form as the letter attached here as ***Exhibit A***.

Other Steps Taken and To Be Taken

Upon discovering the event, Kovack moved quickly to investigate and respond to the incident, assess the security of Kovack systems, and identify potentially affected individuals. Further, Kovack notified federal law enforcement regarding the event. Kovack is also working to implement additional safeguards and training to its employees. Kovack is providing access to credit monitoring services for twelve (12) months, through TransUnion, to individuals whose personal information was potentially affected by this incident, at no cost to these individuals.

Additionally, Kovack is providing impacted individuals with guidance on how to better protect against identity theft and fraud, including advising individuals to report any suspected incidents of identity theft or fraud to their credit card company and/or bank. Kovack is providing individuals with information on how to place a fraud alert and security freeze on one’s credit file, the contact details for the national consumer reporting agencies, information on how to obtain a free credit report, a reminder to remain vigilant for incidents of fraud and identity theft by reviewing account statements and monitoring free credit reports, and encouragement to contact the Federal Trade Commission, their state Attorney General, and law enforcement to report attempted or actual identity theft and fraud.

Kovack is providing written notice of this incident to other relevant state regulators, as necessary, and to the three major credit reporting agencies, Equifax, Experian, and TransUnion.

EXHIBIT A

Kovack Financial, LLC
c/o Cyberscout
P.O. Box 3826
Suwanee, GA 30024



August 10, 2026

NOTICE OF SECURITY INCIDENT

Dear

Kovack Financial, LLC (“Kovack”) writes to inform you of an event that may have impacted some of your information. We are providing you with information about the event, our response to it, and resources available to you to help protect your information, should you feel it appropriate to do so.

What Happened?

Kovack became aware of suspicious activity on our computer network on or around August 28, 2025. Kovack promptly took steps to secure our network and launched an investigation to determine the full nature and scope of the event. Kovack’s investigation determined that an unknown actor gained access to files within our network between August 8, 2025 to August 27, 2025. Kovack then undertook a review of the files to determine what was contained therein and to whom it related for purposes of providing notice. On July 16, 2026, it was determined that information related to you was contained within the files and may have been accessed.

What Information Was Involved?

Our investigation determined that your _____ were contained within the files accessed. To date, there is no indication of identity theft or fraud in relation to this event.

What We Are Doing.

The privacy and security of information in our possession is one of our highest priorities. Upon learning of this event, we immediately took steps to ensure the security of our network and investigate the event. While we had policies and procedures surrounding data security at the time of the event, we continually review our policies and procedures as part of our ongoing commitment to the privacy of information in our care. As an additional precaution, we are offering you access to twelve (12) months of complimentary credit monitoring and identity restoration services through Cyberscout, a TransUnion company. We also reported the event to appropriate governmental agencies.

What You Can Do.

We encourage you to remain vigilant against incidents of identity theft and fraud by reviewing your account statements, explanation of benefits and monitoring your free credit reports for suspicious activity and to detect errors over the next 12 to 24 month. You may also review the information contained in the enclosed *Steps You Can Take to Protect Help Personal Information*. There you will also find more information on the credit monitoring and

identity restoration services we are making available to you. Kovack will cover the cost of these services; however, you will need to complete the enrollment process. Enrollment instructions are enclosed with this letter.

For More Information.

We understand that you may have additional questions regarding this notice, please contact Kovack at 833-954-3690, Monday through Friday from 8:00 a.m. to 8:00 p.m. Eastern Time, excluding major U.S. holidays. You may also write to Kovack at 6451 N Federal Hwy, Fort Lauderdale, FL 33308. Protecting your information is important to us, and we remain committed to safeguarding the information in our care.

Sincerely,

Kovack Financial, LLC

STEPS YOU CAN TAKE TO HELP PROTECT PERSONAL INFORMATION

Enroll in Monitoring Services

To enroll in Credit Monitoring services at no charge, please log on to <https://bfs.cyberscout.com/activate> and follow the instructions provided. When prompted please provide the following unique code to receive services:

In order for you to receive the monitoring services described above, you must enroll within 90 days from the date of this letter. The enrollment requires an internet connection and e-mail account and may not be available to minors under the age of 18 years of age. Please note that when signing up for monitoring services, you may be asked to verify personal information for your own protection to confirm your identity.

Monitor Your Accounts

Under U.S. law, a consumer is entitled to one free credit report annually from each of the three major credit reporting bureaus, Equifax, Experian, and TransUnion. To order a free credit report, visit www.annualcreditreport.com or call, toll-free, 1-877-322-8228. Consumers may also directly contact the three major credit reporting bureaus listed below to request a free copy of their credit report.

Consumers have the right to place an initial or extended “fraud alert” on a credit file at no cost. An initial fraud alert is a 1-year alert that is placed on a consumer’s credit file. Upon seeing a fraud alert display on a consumer’s credit file, a business is required to take steps to verify the consumer’s identity before extending new credit. If consumers are the victim of identity theft, they are entitled to an extended fraud alert, which is a fraud alert lasting seven years. Should consumers wish to place a fraud alert, please contact any of the three major credit reporting bureaus listed below.

As an alternative to a fraud alert, consumers have the right to place a “credit freeze” on a credit report, which will prohibit a credit bureau from releasing information in the credit report without the consumer’s express authorization. The credit freeze is designed to prevent credit, loans, and services from being approved in a consumer’s name without consent. However, consumers should be aware that using a credit freeze to take control over who gets access to the personal and financial information in their credit report may delay, interfere with, or prohibit the timely approval of any subsequent request or application they make regarding a new loan, credit, mortgage, or any other account involving the extension of credit. Pursuant to federal law, consumers cannot be charged to place or lift a credit freeze on their credit report. To request a credit freeze, individuals may need to provide some or all of the following information:

1. Full name (including middle initial as well as Jr., Sr., II, III, etc.);
2. Social Security number;
3. Date of birth;
4. Addresses for the prior two to five years;
5. Proof of current address, such as a current utility bill or telephone bill;
6. A legible photocopy of a government-issued identification card (state driver’s license or ID card, etc.); and
7. A copy of either the police report, investigative report, or complaint to a law enforcement agency concerning identity theft if they are a victim of identity theft.

Should consumers wish to place a credit freeze or fraud alert, please contact the three major credit reporting bureaus listed below:

Equifax	Experian	TransUnion
https://www.equifax.com/personal/credit-report-services/	https://www.experian.com/help/	https://www.transunion.com/data-breach-help
1-888-298-0045	1-888-397-3742	1-833-799-5355
Equifax Fraud Alert, P.O. Box 105069 Atlanta, GA 30348-5069	Experian Fraud Alert, P.O. Box 9554, Allen, TX 75013	TransUnion, P.O. Box 2000, Chester, PA 19016
Equifax Credit Freeze, P.O. Box 105788 Atlanta, GA 30348-5788	Experian Credit Freeze, P.O. Box 9554, Allen, TX 75013	TransUnion, P.O. Box 160, Woodlyn, PA 19094

Additional Information

Consumers may further educate themselves regarding identity theft, fraud alerts, credit freezes, and the steps they can take to protect your personal information by contacting the consumer reporting bureaus, the Federal Trade Commission, or their state Attorney General. The Federal Trade Commission may be reached at: 600 Pennsylvania Avenue NW, Washington, D.C. 20580; www.identitytheft.gov; 1-877-ID-THEFT (1-877-438-4338); and TTY: 1-866-653-4261. The Federal Trade Commission also encourages those who discover that their information has been misused to file a complaint with them. Consumers can obtain further information on how to file such a complaint by way of the contact information listed above. Consumers have the right to file a police report if they ever experience identity theft or fraud. Please note that in order to file a report with law enforcement for identity theft, consumers will likely need to provide some proof that they have been a victim. Instances of known or suspected identity theft should also be reported to law enforcement and the relevant state Attorney General. This notice has not been delayed by law enforcement.

For District of Columbia residents, the District of Columbia Attorney General may be contacted at: 400 6th Street, NW, Washington, D.C. 20001; (202) 442-9828; and oag.dc.gov.

For Maryland residents, the Maryland Attorney General may be contacted at: 200 St. Paul Place, 16th Floor, Baltimore, MD 21202; 1-410-576-6300 or 1-888-743-0023; and <https://www.marylandattorneygeneral.gov/>.

For New Mexico residents, consumers have rights pursuant to the Fair Credit Reporting Act, such as the right to be told if information in their credit file has been used against them, the right to know what is in their credit file, the right to ask for their credit score, and the right to dispute incomplete or inaccurate information. Further, pursuant to the Fair Credit Reporting Act, the consumer reporting bureaus must correct or delete inaccurate, incomplete, or unverifiable information; consumer reporting agencies may not report outdated negative information; access to consumers' files is limited; consumers must give consent for credit reports to be provided to employers; consumers may limit "prescreened" offers of credit and insurance based on information in their credit report; and consumers may seek damages from violators. Consumers may have additional rights under the Fair Credit Reporting Act not summarized here. Identity theft victims and active-duty military personnel have specific additional rights pursuant to the Fair Credit Reporting Act. We encourage consumers to review their rights pursuant to the Fair Credit Reporting Act by visiting www.consumerfinance.gov/f/201504_cfpb_summary_your-rights-under-fcra.pdf, or by writing Consumer Response Center, Room 130-A, Federal Trade Commission, 600 Pennsylvania Ave. N.W., Washington, D.C. 20580.

For New York residents, the New York Attorney General may be contacted at: Office of the Attorney General, The Capitol, Albany, NY 12224-0341; 1-800-771-7755; or <https://ag.ny.gov>.

For North Carolina residents, the North Carolina Attorney General may be contacted at: 9001 Mail Service Center, Raleigh, NC 27699-9001; 1-877-566-7226 or 1-919-716-6000; and www.ncdoj.gov.

For Rhode Island residents, the Rhode Island Attorney General may be reached at: 150 South Main Street, Providence, RI 02903; www.riag.ri.gov; and 1-401-274-4400. Under Rhode Island law, individuals have the right to obtain any police report filed in regard to this event. There are approximately 84 Rhode Island residents that may be impacted by this event.