

Privacy Notice Clauses

Following are sample clauses for use in satisfying your GLBA privacy notice disclosure obligations. These clauses are referred to in the sample privacy form in Appendix 1. Where you have a choice of clauses that depends on the particular practices of your company, the sample form directs you to these clauses, and you should select the clause that applies to you. The numbered paragraphs of the sample form in Appendix 1 correspond to the sections in this Appendix. Thus, where you must choose a clause on the sample form to complete Paragraph 2, you will look in this Appendix for the page that lists "Paragraph 2 Clauses."

(Note: Sample clauses for satisfying the 1982 NAIC Model Act disclosure obligations are included in Appendix 7).

PARAGRAPH 1 CLAUSES

The following clauses are used to describe the categories of information that you collect about your consumers.

1(a) *[If you collect information about your consumers:]*

We collect nonpublic personal information about you from the following sources *[insert all that apply]*:

Information we receive from you on applications or other forms.

Information about your transactions with us, our affiliates or others.

Information we receive from a consumer reporting agency.

[Insert any other categories of information that you collect]

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional information will be collected about you.

1(b) *[If you do not collect any information:]*

We do not collect any information about you.

PARAGRAPH 2 CLAUSES

The following clauses are used to describe the categories of information that you disclose to third parties (affiliates or nonaffiliates). The information in italics at the beginning of each choice tells you the circumstances in which each clause applies.

- 2(a) *[If you disclose nonpublic personal information outside a stated exception, and you disclose all of the categories of information that you collect:]*

We may disclose all of the information that we collect about you, as described above.

- 2(b) *[If you disclose nonpublic personal information outside a stated exception, but you only disclose some categories but not others:]*

We may disclose the following kinds of nonpublic personal information about you:

Information we receive from you on applications or other forms, such as *[provide examples, such as "your name, address, social security number, assets, income, and beneficiaries"]*;

Information about your transactions with us, our affiliates or others, such as *[provide examples, such as "your policy coverage, premiums, and payment history"]*; and

Information we receive from a consumer reporting agency, such as *[provide examples, such as "your creditworthiness and credit history"]*.

- 2(c) *[If you do not disclose nonpublic personal information outside of a stated exception, other than the exception for service providers and joint marketing:]*

We do not disclose any nonpublic personal information about our customers or former customers to anyone, except as permitted by law.¹

- 2(d) *[If you disclose information under the service provider/joint marketing exception, and you disclose all of the categories of information that you collect:]*

We may disclose all of the information we collect, as described above, about our customers or former customers, to companies that perform marketing services on our behalf or to other financial institutions with whom we have joint marketing agreements.

- 2(e) *[If you disclose information under the service provider/joint marketing exception, but you disclose only some categories of information and not others:]*

We may disclose the following information to companies that perform marketing services on our behalf or to other financial institutions with which we have joint marketing agreements:

Information we receive from you on applications or other forms, such as *[provide illustrative examples, such as “your name, address, social security number, assets, income, and beneficiaries”]*;

Information about your transactions with us, our affiliates or others, such as *[provide illustrative examples, such as “your policy coverage, premium, and payment history”]*; and

Information we receive from a consumer reporting agency, such as *[provide illustrative examples, such as “your creditworthiness and credit history”]*.

¹ **Note to agents:** *This language assumes that you treat your customers and former customers the same. If you do not, you must include **two separate disclosure paragraphs**, one describing your practices for customers and one describing them for former customers. This is true for every paragraph in your privacy notice that describes a practices that differs for customers and former customers. Thus, anytime you see a description in these clauses that groups “customers and former customers” together, you should decide whether that language is true for your company. If it is not true, then you must include separate statements.*

- 2(f) *[If you disclose information under both the service provider/joint marketing exception and one or more other stated exceptions, and you disclose all of the categories of information that you collect:]*

We may disclose all of the information we collect, as described above, about our customers or former customers, to companies that perform marketing services on our behalf or to other financial institutions with whom we have joint marketing agreements. We also may disclose information about our customers or former customers as permitted by law.

- 2(g) *[If you disclose information under both the service provider/joint marketing exception and one or more other stated exceptions, but you disclose only some categories of information and not others:]*

We may disclose the following information to companies that perform marketing services on our behalf or to other financial institutions with which we have joint marketing agreements:

Information we receive from you on applications or other forms, such as *[provide illustrative examples, such as "your name, address, social security number, assets, income, and beneficiaries"]*;

Information about your transactions with us, our affiliates or others, such as *[provide illustrative examples, such as "your policy coverage, premium, and payment history"]*; and

Information we receive from a consumer reporting agency, such as *[provide illustrative examples, such as "your creditworthiness and credit history"]*.

We also may disclose information about our customers or former customers as permitted by law.

PARAGRAPH 3 CLAUSES

The following clauses are used to describe the categories of third parties to whom you disclose nonpublic personal information. The information in italics at the beginning of each choice tells you the circumstances in which each clause applies.

- 3A(1) *[If you disclose nonpublic personal information to nonaffiliated entities outside of a stated exception:]*

We may disclose nonpublic personal information about you to the following types of third parties, unless you tell us not to:

Financial service providers, such as *[provide illustrative examples, such as "life insurers, automobile insurers, mortgage bankers, securities broker-dealers, and insurance agents"]*;

Non-financial companies, such as *[provide illustrative examples, such as "retailers, direct marketers, airlines, and publishers"]*; and

Others, such as *[provide illustrative examples, such as "non-profit organizations"]*.

We may also disclose nonpublic personal information about you to nonaffiliated third parties as permitted by law.

- 3A(2) *[If you do not disclose nonpublic personal information to nonaffiliated entities outside of a stated exception, **other than** the service provider/joint marketing exception:]*

We disclose nonpublic personal information about you only to nonaffiliated third parties as permitted by law.

- 3A(3) *[If you disclose information to nonaffiliated entities under the service provider/joint marketing exception:]*

We may disclose nonpublic personal information about you, such as we have described above, to the following types of third parties that perform marketing services on our behalf or with whom

we have joint marketing agreements:

Fulfillment service providers, such as *[provide illustrative examples, such as "envelope stuffing services"]*;

Financial institutions with whom we have joint marketing agreements, such as *[provide illustrative examples, such as (include all that apply to you):*

Financial institutions with whom we have joint marketing agreements, such as *[provide illustrative examples, such as the following (include any or all that apply to you):*

- *national banks and their subsidiaries;*
- *Federal branches and Federal agencies of foreign banks, and any subsidiaries of such entities;*
- *member banks of the Federal Reserve System;*
- *branches and agencies of foreign banks and commercial lending companies owned by foreign banks;*
- *organizations operating under the Federal Reserve Act;*
- *bank holding companies and their non-bank subsidiaries;*
- *banks insured by the FDIC;*
- *insured state branches of foreign banks and any subsidiaries of such entities;*
- *savings associations, the deposits of which are insured by the FDIC, and any subsidiaries of such savings associations;*

- *federally insured credit unions and any subsidiaries thereof;*
- *securities brokers or dealers;*
- *investment companies; and*
- *insurance providers]*

3A(4) *[If you disclose information to nonaffiliated entities under **both** the service provider/joint marketing exception and one or more other stated exceptions:]*

We may disclose nonpublic personal information about you, such as we have described above, to the following types of third parties that perform marketing services on our behalf or with whom we have joint marketing agreements:

Fulfillment service providers, such as *[provide illustrative examples, such as "envelope stuffing services"]*;

Financial institutions with whom we have joint marketing agreements, such as *[provide illustrative examples, such as the following (include any or all that apply to you):*

- *national banks and their subsidiaries;*
- *Federal branches and Federal agencies of foreign banks, and any subsidiaries of such entities;*
- *member banks of the Federal Reserve System;*
- *branches and agencies of foreign banks and commercial lending companies owned by foreign banks;*
- *organizations operating under the Federal Reserve Act;*
- *bank holding companies and their non-bank subsidiaries;*

- *banks insured by the FDIC;*
- *insured state branches of foreign banks and any subsidiaries of such entities;*
- *savings associations, the deposits of which are insured by the FDIC, and any subsidiaries of such savings associations;*
- *federally insured credit unions and any subsidiaries thereof;*
- *securities brokers or dealers;*
- *investment companies; and*
- *insurance providers]*

We may also disclose nonpublic personal information about you to nonaffiliated third parties as permitted by law.

The following clause describes the right to opt-out of certain information sharing with nonaffiliated third parties.

- 3B As we have indicated in this Privacy Policy Notice, we collect certain nonpublic personal information about you, and we may disclose that information to certain nonaffiliated third parties for purposes other than those expressly permitted by the Gramm-Leach-Bliley Act and the federal and state regulations implementing that Act. If you prefer that we not disclose nonpublic personal information about you to nonaffiliated third parties, you may opt out of those disclosures, that is, you may direct us not to make those disclosures (other than those disclosures that are expressly permitted by the Gramm-Leach-Bliley Act and its implementing regulations).

If you wish to opt out of such disclosures to nonaffiliated third parties, you may:

[insert one or more of the following reasonable means of opting out]:

- *Call us toll free at (insert toll free number); or*

- Visit our website at (insert web site address) and (provide further instructions on how to use the web site option);² or
- E-mail us at (insert the e-mail address); or
- Fill out and tear off the bottom of this sheet and mail it back to the to the address shown there; or
- Check the appropriate box below or on the attached form (insert a box with text next to it that says "I wish to opt-out," or refer to the **SAMPLE OPT-OUT FORM** in Appendix 3)].

² **Note to agents on electronic means of opting-out:** If you use a website or an e-mail address as the only means by which a consumer may opt out, the consumer must agree to the electronic delivery of information. What this means is that, if you are currently transacting business with consumers on line, you may provide them with their opt-out notifications electronically, as long as the requirements of the federal electronic signatures act are met. Appendix 11 describes the requirements of the federal electronic signatures act. **If you are not currently transacting business with your consumers online, however,** it is problematic for you to offer them the opportunity to opt-out only via electronic means unless you get clear permission in advance from such consumers stating that they agree to the electronic delivery of information.

PARAGRAPH 4 CLAUSES

The following clauses are used to describe the required disclosures under the Fair Credit Reporting Act. If you share non-transactional information with your affiliates, you must insert the following three clauses [all three are required] into your privacy form, as directed in paragraph 4 of the sample privacy form (Appendix 1).

A. Information we can share with our affiliates, unless you tell us not to:

Unless you tell us not to, we may share with our affiliated companies information about you, including:

Information we obtain from your insurance application, such as your income or your marital status;

Information we obtain from a consumer report, such your credit score or credit history;

Information we obtain to verify representations made by you, such as your open lines of credit; and

Information we obtain from a person regarding its employment, credit, or other relationship with you, such as your employment history.

B. Our affiliated companies who may receive this information are:

Financial service providers, such as:

[insert your financial service affiliates – you can describe them by name or by category, such as “mortgage lenders and brokers”]

Non-financial companies, such as:

[insert your non-financial affiliates – you can describe them by name or by category, such as retailers, direct marketers, airlines, and publishers]

Our other affiliates, such as:

[name any other affiliates or describe them by category, such as “nonprofit organizations”]

C. How to tell us not to share this information with our affiliated companies:-

If you prefer that we not share this information with our affiliated companies, you may direct us not to share this information by doing the following:

[insert one or more of the following reasonable means of opting out:³

- *Call us toll free at (insert toll free number); or*
- *Visit our website at (insert web site address) and (provide further instructions on how to use the web site option);⁴ or*
- *E-mail us at (insert the e-mail address); or*
- *Fill out and tear off the bottom of this sheet and mail it back to the to the address shown there; or*
- *Check the appropriate box on the attached form (insert a box with text next to it that says "I wish to opt-out," or refer to the **SAMPLE OPT-OUT FORM** in Appendix 3)]*

³ **Note to agents on combining opt-out forms under the FCRA and GLBA:** *The opt-out methods listed here are the same methods of opting out permitted under the GLBA. You may allow consumers to exercise both opt-out rights on the same form, or you can issue two separate forms. For example, you can issue one form with two boxes – one that has text next to it saying "I want to exercise my right under the FCRA to opt-out of affiliate information sharing" and one that has text saying "I want to exercise my right under the GLBA to opt-out of information sharing with non-affiliated third parties."*

⁴ **Note to agents on electronic means of opting-out:** *If you use a website or an e-mail address as the only means by which a consumer may opt out, the consumer must agree to the electronic delivery of information. What this means is that, if you are currently transacting business with consumers on line, you may provide them with their opt-out notifications electronically, as long as the requirements of the federal electronic signatures act are met. Appendix 11 describes the requirements of the federal electronic signatures act. **If you are not currently transacting business with your consumers online, however, it is problematic for you to offer them the opportunity to opt-out only via electronic means unless you get clear permission in advance from such consumers stating that they agree to the electronic delivery of information.***