

PRIVACY DISCLOSURE STATEMENT AND OPT-OUT NOTICE

Home Owners Warranty Insurance Company (“the Company”)

You are being provided this notice in accordance with Title 5 of the Gramm-Leach-Bliley Act (“GLBA”), which requires all financial institutions to disclose their privacy policy to customers regarding the sharing of nonpublic personal information with third parties and affiliates. 15 U.S.C.A. §§ 6801-6809. GLBA also provides customers, such as yourself, an opportunity to opt-out of certain disclosures with nonaffiliated third parties before they are made. 15 U.S.C.A. § 6802(b).

As you are aware, the Company is currently in receivership. Nonetheless, we aim to continue to respect your privacy and protect your trust at this time. Therefore, please use the information in this Notice to understand the protections you are afforded under GLBA and those protections that you can choose to further secure.

Our Privacy Policy

Protecting your privacy is one of our top priorities. We take proactive measures in our efforts to salvage and safeguard your personal information. We restrict access to your personal information to our employees and agents who provide you with the Company’s products and services, and require those individuals to protect your information and keep it confidential. We also maintain physical, electronic, and procedural safeguards that comply with applicable regulatory standards to guard your nonpublic personal information. Further, we do not disclose any nonpublic personal information about you, except as described in this Notice and as permitted or required by law. We also do not sell or rent customer lists or personal information to any nonaffiliated third parties for marketing purposes. We honor these terms of your privacy even if you choose to close your account with us or become an inactive customer.

As used in this Notice, the term “nonpublic personal information” means information about you that we collect in connection with providing a service to you. Nonpublic personal information does not include information that is available from public sources, such as telephone directories or governmental records. The term “affiliate” means any company that controls, is controlled by, or is under common control with our Company. The term “nonaffiliated third party” means any person or entity that is not our affiliate.

Categories of Nonpublic Personal Information We Collect:

The Company receives nonpublic personal information about you and our other loyal customers from the following sources:

1. Information from applications and forms,
2. Information from your transactions and claims on your policy,
3. Information from consumer reporting agencies, and
4. Information from our subsidiaries and affiliated companies.

The information we collect and retain about our customers often comprises of, but is not limited to, the following:

1. Social security and taxpayer identification,
2. Change of address information,
3. Telephone numbers,
4. Beneficiary status,
5. Assignment status,
6. Policy option elections,
7. Back-up tax withholding,
8. Payment information, and
9. Correspondence.

This information often comes directly from your applications and claims on your policy, and sometimes from an outside source.

Categories of Affiliates and Nonaffiliated Third Parties to Whom We Disclose Nonpublic Personal Information:

1. Subsidiaries and affiliates of our company;
2. The Deputy Receiver, Special Deputy Receiver, and the receivership's consultants;
3. Administrative service providers that provide confidential services on our behalf; and
4. Nonaffiliated third parties, as permitted by law.

As stated earlier, your privacy is of utmost priority to us. However, to better serve you, we may disclose your information, as permitted by law, to operate the Company and maintain account and claim information. Providing such information to our service providers allows them the data to execute the administrative and financial services necessary for the operation of the Company. Further, we are permitted to disclose information we collect to persons or entities that perform confidential administrative services on our behalf.

We are also permitted under law to disclose nonpublic personal information that we collect about you to nonaffiliated third parties in certain circumstances, as permitted or required by law. Occasionally we enlist nonaffiliated third parties to assist us with performing services on our behalf, to include auditors, agents, administrators, and several other service providers. Other times, disclosures are made to nonaffiliated third parties in compliance with a subpoena or inquiry from a government agency or regulator. In the case of this receivership, it is likely that the disclosure of your nonpublic personal information will be requested by the receivership court in accordance with the governance of the receivership. It is possible we may need to continue sharing your information, in the manner described in this Notice, even when you are no longer our customer.

As our valued customer, we do not disclose specific information about your account or other nonpublic personal information to nonaffiliated third parties for their independent use.

Gramm-Leach-Bliley Act and Opt-Out Provision

If you prefer that we not share your nonpublic personal information with nonaffiliated third parties, except as permitted by law, please follow the instructions regarding the opt-out procedure below. If you choose not to opt-out, we reserve the right to share this information.

If you choose that we not share your nonpublic personal information with nonaffiliated third parties (except as permitted by law), you may exercise your right to “opt-out” of such disclosure. You may opt-out in either one of two manners: (1) by calling our toll free customer care line (800-433-7657) and indicating your “opt-out” preference in accordance with GLBA; or (2) by providing written notice that clearly states you choose to opt-out of the Company sharing your nonpublic personal information with nonaffiliated third parties, in accordance with GLBA. Your opt-out preference will become effective upon receipt. This opt-out preference will remain active until you cancel this option.

Please note that this Notice is not a binding contract and replaces any previous notices that you may have received from us. In the event that the terms of our privacy disclosures change, we will disseminate a revised privacy notice for your review, and provide an additional opportunity for you to exercise your opt-out preference.