

E & K AGENCY, INC.
COMMITMENT TO CLIENT PRIVACY
Annual Notice
Our Privacy Policy as of July 1, 2001

PURPOSE OF THIS NOTICE

Title V of the Gramm-Leach-Bliley Act (GLBA) and the laws of the State of New Jersey generally prohibit us from sharing nonpublic personal information about you with a third party unless we provide you with this notice of our privacy policies and practices, such as the type of information that we collect about you and the categories of persons or entities to whom that information may be disclosed. In compliance with the GLBA and the laws of this state, we are providing you with this document, which notifies you of the privacy policies and practices of E & K Agency. The laws of this state further require that we inform you that we may not share your personal information with a nonaffiliated third party for any purpose that is not specifically authorized by law unless we obtain your affirmative permission.

OUR PRIVACY POLICIES AND PRACTICES

1. Information we collect:

A. Categories of information collected and sources from which we collect it:

- We collect nonpublic personal information about you from the following sources:
- 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; and/or
- information we receive from medical records or medical professionals.

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

B. Persons from whom information is collected

We do not collect nonpublic personal information from anyone other than the individual(s) proposed for coverage.

C. Information from investigative consumer reports

If you authorize us to do so, we may obtain information about you from investigative consumer reports prepared by third parties at our request. If you authorize us to request such information and we do request such information, you should be aware that:

- you have the right to request to be interviewed in connection with the preparation of such a report;
- upon request, you are entitled to receive a copy of the report; and
- the information obtained from the report prepared by the third party may be retained by the third party and disclosed to other persons.

2. Information we may disclose to third parties:

In the course of our general business practices, we may disclose the information that we collect about you or others without your permission to the following types of institutions for the reasons described:

- to a third party if the disclosure will enable that party to perform a business, professional or insurance function for us;
- to an insurance institution, agent, or credit reporting agency in order to detect or prevent criminal activity, fraud or misrepresentation in connection with an insurance transaction;
- to an insurance institution, agent, or credit reporting agency for either this agency or the entity to whom we disclose the information to perform a function in connection with an insurance transaction involving you;
- to a medical care institution or medical professional in order to verify coverage or benefits, inform you of a medical problem of which you may not be aware, or conduct an audit that would enable us to verify treatment;
- to an insurance regulatory authority, law enforcement, or other governmental authority in order to protect our interests in preventing or prosecuting fraud, or if we believe that you have conducted illegal activities;

- to a group policyholder for the purpose of reporting claims experience or conducting an audit of our operations or services; and
- to an actuarial or research organization for the purpose of conducting actuarial or research studies.

In addition to those circumstances listed above, and unless you tell us not to, we may disclose certain information about you to third parties whose only use of the information will be for purposes of marketing a product or service.

Under no circumstances will we disclose for marketing purposes any medical information; information relating to a claim for benefit or, a civil or criminal proceeding involving you; or personal information relating to your character, personal habits, mode of living or general reputation.

3. Affiliates with whom we share certain information protected by the Fair Credit Reporting Act, unless you tell us not to:

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 insurance carriers and their agents or brokers.

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:

- e-mail us at info@e-kinsurance.com; or
- fill out this sheet and mail it back to the address shown.

Opt-Out Form

Please read the text below and decide whether you wish to exercise your right to opt-out of the information sharing described. If you choose to exercise your right to opt-out, you must mail this form back to us at P.O. Box 600, Eatontown, NJ 07724. Your response must be postmarked no later than 30 days from the date you received this notice from us in person in order for it to be valid. If you do not mail this form back or do not mail it back within 30 days, you have not exercised your opt-out right, and we can share the information described.

I wish to exercise my right under the Fair Credit Reporting Act to opt-out of E & K Agency's sharing non-transactional information about me to affiliates.

Customer Signature & Date

4. Your right to access and amend your personal information:

You have the right to request access to the personal information that we record about you. Your right includes the right to know the source of the information and the identity of the persons, institutions or types of institutions to whom we have disclosed such information within 2 years prior to your request. Your right includes the right to view such information and copy it in person, or request that a copy of it be sent to you by mail (for which we may charge you a reasonable fee to cover our costs). Your right also includes the right to request corrections, amendments or deletions of any information in our possession. The procedures that you must follow to request access to, or an amendment of, your information are as follows:

To obtain access to your information: You should submit a request in writing to Director of Operations, E & K Agency, P.O. Box 600, Eatontown, NJ 07724. The request should include your name, address, Social Security number, telephone number, and the recorded information to which you would like access. The request should state whether you would like access in person or a copy of the information sent to you by mail. Upon receipt of your request, we will contact you within 30 business days to arrange providing you with access in person or the copies that you have requested.

To correct, amend, or delete any of your information: You should submit a request in writing to Director of Operations, E & K Agency, P.O. Box 600, Eatontown, NJ 07724. The request should include your name, address, Social Security number, telephone number, the specific information in dispute, and the identity of document or record that contains the disputed information. Upon receipt of your request, we will contact you within 30 business days to notify you either that we have made the correction, amendment or deletion, or that we refuse to do so and the reasons for the refusal, which you will have an opportunity to challenge.

5. Our practices regarding information confidentiality and security:

We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with regulations to guard your nonpublic personal information.

6. Our policy regarding dispute resolution:

Any controversy or claim arising out of or relating to our privacy policy, or the breach thereof, shall be settled by arbitration in accordance with the rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

7. Reservation of the right to disclose information in unforeseen circumstances:

In connection with the potential sale or transfer of its interests, E & K Agency and its affiliates reserves the right to sell or transfer your information (including

but not limited to your address, name, age, sex, zip code, state and country of residency and other information that you provide through other communications) to a third party entity that 1) concentrates its business in a similar practice or service; 2) agrees to be E & K Agency's successor in interest with regard to the maintenance and protection of the information collected; and 3) agrees to the obligations of this privacy statement.

E & K AGENCY, INC.

NOTICE CONCERNING COMPENSATION & REPRESENTATION

For many insurance transactions, E & K represents various insurance carriers as an agent of the carrier. In such instances, E & K is compensated by the carrier in the form of commission calculated as a percentage of the total insurance premium. In addition, E & K may qualify for year-end performance bonuses. Insurance carriers have different bonus plans that base compensation on a number of factors such as profitability, growth and retention. E & K may receive additional consideration from carriers in the form of expense reimbursement, entertainment, business production incentive programs or stock purchase plans.

For some insurance transactions, E & K acts as an insurance broker. In such instances, E & K is compensated by the carrier or insurance intermediary in the form of commission calculated as a percentage of total insurance premium. Occasionally, compensation may also be in the form of a fee paid by our client. This is only done pursuant to a written fee agreement entered into with the client.

If you have further questions concerning our compensation policies, please ask your E & K representative.