

Farmers Privacy Notice

In the course of our business relationship with you, we collect information about you that is necessary to provide you with our products and services. We treat this information as confidential and recognize the importance of protecting it. We value your confidence in us.

You trust us with an important part of your financial life. We are proud of our privacy policies and procedures and encourage you to review them carefully. This notice is applicable to those personal insurance policies written through 21st Century Insurance, part of the Farmers Insurance Group of Companies® listed on the back of this notice and describes our privacy practices regarding information about our customers and former customers that obtain financial products or services from us for personal, family or household purposes.

When state law is more protective of individuals than federal privacy law, we will protect information in accordance with state law consistent with the requirements of federal preemption.

Information we collect

We collect and maintain information about you to provide you with the coverage, product or service you request and to service your account.

We collect certain information ("nonpublic personal information") about you and the members of your household ("you"), as permitted by law, from the following sources:

- Information we receive from you on applications or other forms, such as your social security number, assets, income and property information;
- Information about your transactions with us, our affiliates or others, such as your policy coverage, premiums and payment history;
- Information we receive from a consumer reporting agency or insurance support organization, such as motor vehicle records, credit report information and claims history;
- Information from your visits to farmers.com, 21st.com or other websites we operate, use of our mobile sites and application, use of our social media sites, and your interaction with our online advertisements; and
- If you obtain a life, long-term care or disability product, information we receive from you, medical professionals who have provided care to you and insurance support organizations regarding your health.

How we protect your information

At Farmers, our customers are our most valued assets. Protecting your privacy is important to us. We restrict access to personal information about you to those individuals, such as our employees and agents, who provide you with our products and services. We require those individuals to whom we permit access to your customer information to protect it and keep it confidential. We maintain physical, electronic, and procedural safeguards that comply with applicable regulatory standards to guard your nonpublic personal information.

We do not disclose any nonpublic personal information about you, as our customer or former customer, except as described in this notice.

Information we disclose

We may disclose the nonpublic personal information we collect about you, as described above, to companies that perform marketing services on our behalf or to other financial institutions with which we have joint marketing agreements and to other third parties, all as permitted by law.

Many employers, benefit plans, plan sponsors and affinity groups restrict the information that can be shared about their employees or members by companies that provide them with products or services. If you have a relationship with Farmers or one of its affiliates as a result of products or services provided through an employer, benefit plan or plan sponsor, we will abide by the privacy restrictions imposed by that organization.

We are permitted to disclose personal health information (1) to process your transaction with us, for instance, to determine eligibility for coverage, to process claims or to prevent fraud; (2) with your written authorization, and (3) otherwise as permitted by law.

Sharing information with affiliates

The Farmers family encompasses various affiliates that offer a variety of financial products and services in addition to insurance. Sharing information enables our affiliates to offer you a more complete range of products and services.

We may disclose nonpublic personal information, as described under **Information we collect**, to our affiliates, which include:

- Financial service providers such as insurance companies and reciprocals, investment companies, underwriters and brokers/dealers; and
- Non-financial service providers, such as management companies, attorneys-in-fact and billing companies.

We are permitted by law to share with our affiliates our transaction and experience information with you.

In addition, we may share with our affiliates consumer report information, such as information from credit reports and certain application information, that we have received from you and from third parties, such as consumer reporting agencies and insurance support organizations.

Your choices

You have two important choices. One choice is about our sharing of consumer report information about you with our affiliates. The second choice is about the ability of our affiliates to use personal information that they may obtain from us to send marketing offers to you. Federal law gives you the right to limit some but not all marketing from Farmers (including the Bristol West Insurance Group®, Foremost® Insurance Group and 21st Century and other affiliates identified below), including discounts and other cost-savings benefits Farmers offers. You may limit the Farmers affiliates from marketing their products or services to you based on your personal information communicated from one Farmers affiliate to another. This information may include your account history, credit and other information that we collect during our relationship with you as described above. Your choice to limit marketing offers from the Farmers affiliates will apply until you tell us to change your choice.

We are offering you two Opt-Out opportunities on the enclosed Opt-Out Form. If you prefer that we not share your consumer report information with Farmers, or if you choose to limit some but not all marketing from Farmers, you may opt-out of such disclosures and/or marketing, that is, you may direct us not to make those disclosures or send marketing materials—other than as otherwise permitted by law. You may do so by following the procedure explained in the enclosed Opt-Out Form. You may opt-out only by returning the Opt-Out Form. We will implement your request within a reasonable time.

If it is your decision not to opt-out and to allow sharing of your information with the Farmers affiliates, and/or not to opt-out of limiting marketing, you do not need respond in any way.

Modifications to our privacy policy

We reserve the right to change our privacy practices in the future, which may include sharing nonpublic personal information about you with non-affiliated third parties. Before we do that, we will provide you with a revised privacy notice and give you the opportunity to opt-out of that type of information sharing.

Website

Our website privacy notices, such as the one located at farmers.com, contain additional information particular to website use. Please pay careful attention to those notices if you transmit personal information to Farmers over the Internet.

Recipients of this notice

We are providing this notice to the named policyholder residing at the mailing address to which we send your policy information. If there is more than one policyholder on a policy, only the named policyholder on that policy will receive this notice, though any policyholder may request a copy of this notice. You may receive more than one copy of this notice if you have more than one policy with Farmers. You also may receive notices from affiliates, other than those listed below. Please read those notices carefully to determine your rights with respect to those affiliates' privacy practices.

More information about the federal laws

This notice is required by federal law. If you would like additional information about these federal laws, please visit our website at farmers.com.

Signed:

21st Century Casualty Company, 21st Century Insurance Company (d/b/a 21st Century Ins. Co of California (in Florida)), 21st Century Advantage Insurance Company, 21st Century Centennial Insurance Company, 21st Century Indemnity Insurance Company, 21st Century Pacific Insurance Company, 21st Century Preferred Insurance Company, 21st Century Premier Insurance Company, Farmers Insurance Hawaii, Inc., 21st Century North America Insurance Company, 21st Century Assurance Company, 21st Century Pinnacle Insurance Company, 21st Century National Insurance Company, 21st Century Security Insurance Company.

The above is a list of the affiliates on whose behalf this privacy notice is being provided. It is not a comprehensive list of all affiliates of the Farmers Insurance Group of Companies®.

Opt-Out Form

IF YOU CHOOSE NOT TO OPT-OUT, YOU DO NOT NEED TO RETURN THIS FORM OR RESPOND IN ANY WAY.

Your Choice

If you decide to opt-out of disclosing your consumer report information to the Farmers Insurance Group of Companies®, and/or to limit some but not all marketing from them, except as otherwise permitted by law, you may do so only by completing and returning this Opt-Out Form. However, if you opt-out we may not be able to offer you a replacement policy in the future with the Farmers Insurance Group of Companies®. You may receive more than one Opt-Out Form if you have more than one policy with the underwriting companies listed on the enclosed Privacy Notice. You will need to return ALL Opt-Out Forms in order to opt-out on all your policies.

Any policyholder may opt-out on behalf of other joint policyholders. An opt-out by any joint policyholder will be deemed to be an opt-out by all policyholders of the policy issued by underwriting companies listed on the enclosed Privacy Notice.

Insured Name:

Address:

City, state, zip code:

Auto Policy number:

_____ Please do not share my consumer report information with the Farmers Insurance Group of Companies®, other than as permitted by law. I understand that by opting out of such sharing, I may lose certain opportunities to receive information about discounts, benefits or additional products and services.

_____ Please do not allow any affiliate in the Farmers Insurance Group of Companies® to use my personal information to market to me, other than as permitted by law.

Return to: 21st Century Insurance, ATTN: Transition Processing, 3 Beaver Valley Road, Wilmington, DE 19803.

USE OF CREDIT INFORMATION DISCLOSURE

Insurer's Name:

Address: 3 Beaver Valley Road
Wilmington, DE 19803

Telephone Number (toll free if available): 1-877-307-1823

We **will** **will not** (choose one) obtain and use credit information on you or any other member(s) of your household as a part of the insurance credit scoring process.

If you have questions regarding this disclosure, contact the insurer at the above address or phone number. For information or other questions, contact the Texas Department of Insurance at 1-800-252-3439 or P.O. Box 149091, Austin, Texas 78714.

Article 21.49-2U, Sec. 7(d), of the Texas Insurance Code requires an insurer or its agents to disclose to its customers whether credit information will be obtained on the applicant or insured or on any other member(s) of the applicant's or insured's household and used as part of the insurance credit scoring process.

If credit information is obtained or used on the applicant or insured or on any member of the applicant's or insured's household, the insurer shall disclose to the applicant the name of each person on whom credit information was obtained or used and how each person's credit information was used to underwrite or rate the policy. An insurer may provide this information with this disclosure or in a separate notice.

Adverse effect means an action taken by an insurer in connection with the underwriting of insurance for a consumer that results in the denial of coverage, the cancellation or nonrenewal of coverage, or the offer to and acceptance by a consumer of a policy form, premium rate, or deductible other than the policy form, premium rate, or deductible for which the consumer specifically applied.

Credit information is any credit related information derived from a credit report itself, or provided in an application for personal insurance. The term does not include information that is not credit-related, regardless of whether the information is contained in a credit report or in an application for insurance coverage or is used to compute a credit score.

Credit score or insurance score is a number or rating derived from a mathematical formula, computer application, model, or other process that is based on credit information and used to predict the future insurance loss exposure of a consumer.

SUMMARY OF CONSUMER PROTECTIONS CONTAINED IN ARTICLE 21.42-2U

PROHIBITED USE OF CREDIT INFORMATION. An insurer may not:

- (1) use a credit score that is computed using factors that constitute unfair discrimination;
- (2) deny, cancel, or nonrenew a policy of personal insurance solely on the bases of credit information without consideration of any other applicable underwriting factor independent of credit information; or
- (3) take an action that results in an adverse effect against a consumer because the consumer does not have a credit card account without consideration of any other applicable factor independent of credit information.

An insurer may not consider an absence of credit information or an inability to determine credit information for an applicant for insurance coverage or insured as a factor in underwriting or rating an insurance policy unless the insurer:

- (1) has statistical, actuarial, or reasonable underwriting information that: (A) is reasonably related to actual or anticipated loss experience; and (B) shows that the absence of credit information could result in actual or anticipated loss differences;
- (2) treats the consumer as if the applicant for insurance coverage or insured had neutral credit information, as defined by the insurer, or
- (3) excludes the use of credit information as a factor in underwriting and uses only other underwriting criteria.

NEGATIVE FACTORS. An insurer may not use any of the following as a negative factor in any credit scoring methodology or in reviewing credit information to underwrite or rate a policy of personal insurance:

- (1) a credit inquiry that is not initiated by the consumer;
- (2) an inquiry relating to insurance coverage, if so identified on a consumer's credit report
- (3) a collection account with a medical industry code, if so identified on the consumer's credit report.

Multiple lender inquiries made within 30 days of a prior inquiry, if coded by the consumer reporting agency on the consumer's credit report as from the home mortgage or motor vehicle lending industry, shall be considered by an insurer as only one inquiry.

EFFECT OF EXTRAORDINARY EVENTS. An insurer shall, on written request from an applicant for insurance coverage or an insured, provide reasonable exceptions to the insurer's rates, rating classifications, or underwriting rules for a consumer whose credit information has been directly influenced by a catastrophic illness or injury, by the death of a spouse, child, or parent, by temporary loss of employment, by divorce, or by identity theft. In such a case, the insurer may consider only credit information not affected by the event or shall assign a neutral credit score.

An insurer may require reasonable written and independently verifiable documentation of the event and the effect of the event on the person's credit before granting an exception. An insurer is not required to consider repeated events or events the insurer reconsidered previously as an extraordinary event.

An insurer may also consider granting an exception to an applicant for insurance coverage or an insured for an extraordinary event not listed in this section. An insurer is not out of compliance with any law or rule relating to underwriting, rating, or rate filing as a result of granting an exception under this article.

NOTICE OF ACTION RESULTING IN ADVERSE EFFECT. If an insurer takes an action resulting in an adverse effect with respect to an applicant for insurance coverage or insured based in whole or in part on information contained in a credit report, the insurer must provide to the applicant or insured within 30 days certain information regarding how an applicant or insured may verify and dispute information contained in a credit report.

DISPUTE RESOLUTION; ERROR CORRECTION. If it is determined through the dispute resolution process established under Section 611(a)(5), Fair Credit Reporting Act (15 U.S.C Section 1681i), as amended, that the credit information of a current insured was inaccurate or incomplete or could not be verified and the insurer receives notice of that determination from the consumer reporting agency or from the insured, the insurer shall re-underwrite and re-rate the insured not later than the 30th day after the date of receipt of the notice.

After re-underwriting or re-rating the insured, the insurer shall make any adjustments necessary within 30 days, consistent with the insurer's underwriting and rating guidelines. If an insurer determines that the insured has overpaid premium, the insurer shall credit the amount of overpayment. The insurer shall compute the overpayment back to the shorter of the last 12 months of coverage; or the actual pay period.