

**FROM:** Director, Worldwide Markets  
**LOCATION:** G12  
**EXTENSION:** 5998  
**DATE:** 26 June 2003  
**REFERENCE:** Y3083  
**SUBJECT:** UNITED STATES PRIVACY REGULATIONS –  
UPDATE  
**SUBJECT AREA(S):** Revised privacy notice  
**ATTACHMENTS:** LSW1135b  
**ACTION POINTS:** **Replace LSW1135a with LSW1135b**  
**DEADLINE:** **Immediate effect**

**Purpose of bulletin:** to provide an updated version of US privacy notice LSW1135a. LSW1135b replaces LSW1135a.

**US privacy notices:** US state laws require insurers to issue notices to their US personal lines customers stating whether they share personal data with non-affiliated third parties, other than for recognised purposes. A key obligation is that insurers issue these notices at the time a customer relationship is established.

For further details, and background information please consult Market bulletin Y2851, 7 August 2002 and Y2550, 29 May 2001.

**Use of LSW1135b:** LSW1135b replaces LSW1135a with immediate effect. Its use is not obligatory and underwriters may use an alternative wording – for example if their privacy policy is not in accordance with the notice's provisions.

The update is required to ensure that the notice complies with a recently enacted California regulation. This regulation requires that notices used in California achieve a Flesch Test score of at least 50.0. LeBoeuf, Lamb, Green & MacRae have devised the attached notice, and advise that the notice achieves a score of 50.0. The Flesch test is used to measure readability based on sentence length, use of headings, bullet points, etc. California is the only

state that requires notices to meet a minimum Flesch Test score, at least for now. However, all of the elements required by the relevant US legislation remain in this notice, and therefore the notice should be acceptable for use in other states as well.

**Reminder of privacy requirements:** Underwriters are reminded that if they disclose information other than for those exceptions detailed in the Regulations, then they may not use LSW1135b, and are advised to seek US legal advice on their compliance obligations.

Underwriters are also advised that contracts with service providers should where appropriate include language that requires the service provider to protect the confidentiality of non-public personal information.

**Contacts:** LSW1135b is available on the Market Wordings Database, replacing LSW1135a. The Market Wordings Database may be contacted on telephone number 01634 392345 or via email: [info@marketwordingsdatabase.com](mailto:info@marketwordingsdatabase.com)

This bulletin has been sent to active underwriters and to the compliance officers of managing agents and brokers. Any queries relating to this bulletin should be addressed to: Worldwide Market Services, Tel 020 7327 6677 or email: [market.services@lloyds.com](mailto:market.services@lloyds.com)

**LSW1135b**

## **LLOYD'S PRIVACY POLICY STATEMENT**

### **UNDERWRITERS AT LLOYD'S, LONDON**

The Certain Underwriters at Lloyd's, London want you to know how we protect the confidentiality of your non-public personal information. We want you to know how and why we use and disclose the information that we have about you. The following describes our policies and practices for securing the privacy of our current and former customers.

### **INFORMATION WE COLLECT**

The non-public personal information that we collect about you includes, but is not limited to:

- Information contained in applications or other forms that you submit to us, such as name, address, and social security number
- Information about your transactions with our affiliates or other third-parties, such as balances and payment history
- Information we receive from a consumer-reporting agency, such as credit-worthiness or credit history

### **INFORMATION WE DISCLOSE**

We disclose the information that we have when it is necessary to provide our products and services. We may also disclose information when the law requires or permits us to do so.

### **CONFIDENTIALITY AND SECURITY**

Only our employees and others who need the information to service your account have access to your personal information. We have measures in place to secure our paper files and computer systems.

### **RIGHT TO ACCESS OR CORRECT YOUR PERSONAL INFORMATION**

**You have a right to request access to or correction of your personal information that is in our possession.**

### **CONTACTING US**

If you have any questions about this privacy notice or would like to learn more about how we protect your privacy, please contact the agent or broker who handled this insurance. We can provide a more detailed statement of our privacy practices upon request.