

**To:** Allianz Life Agents  
**From:** Christine Johnson  
Vice President, Field Compensation  
**Date:** May 30, 2001  
**Re:** Agent Privacy Duties under Gramm, Leach, Bliley Act

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A new federal privacy act goes into effect July 1, 2001. The law is referred to as the Gramm, Leach, Bliley Act (GLB). Insurance companies and agents must be in compliance with the privacy regulations.

The law requires Allianz Life and our agents to protect the privacy of our customer's personal information. This includes names, addresses, social security numbers, health information, bank account information, etc.

All of our policyholders will have received the enclosed Privacy Notice before July 1, 2001, with their Quarterly Annuity Statement or other mailings.

We are including an addendum to your Agent Agreement. It requires you to be in compliance with the regulation by limiting your use of customer information for the purpose of conducting your duties as an agent. It requires that you do not disclose personal customer information to third parties; keeping the confidentiality of the customer's personal information.

The law also requires that agents establish written security procedures to protect themselves and their clients, and to assure compliance with the law. This is for your protection as well as your customers.

We are including a template for you to use. The information can be used should regulators conduct an agency audit as well as to train employees or other agents.

Please read the enclosed Agent Addendum to your Agent Agreement. We are taking this opportunity to clarify the agent transfer information through this addendum. Keep this Addendum along with your Agent Agreement. If you have questions please call us at 800-950-9323.

# **AGENCY**

## **Confidentiality & Security Guidelines for Customer Information**

### **1. Information on personal computers**

Your agency should make a determination as to which employees/agents need access to your agency's customer database. Only those employees/agents that need access to specific customer databases should be given such access. Each employee/agent who has access to customer information should use a personal security code to obtain such information.

### **2. Paper files**

Customer files that are used by employees/agents within an agency should be put away and securely locked following the employee/agents' working hours. Only employees/agents within your agency that need access to customer paper files should have such access.

Employees/agents that check out paper files should be required to "sign out" the file in order to take the file out of the file room.

Paper files should be stored in a secure location during weekend and evening hours.

### **3. Telephone/Mail/Fax**

Your agency should establish security procedures for customers who make requests by phone, mail or fax. This includes a verification method to make sure that the person making the request is actually the customer.

If other persons make customer information requests, your agency needs to verify that such persons are authorized to receive the customer information. This usually means that some type of signed authorization must be in your files in order to provide customer information to such persons.

### **4. Security audit procedures**

Your agency should do an audit at least annually to determine if security procedures established by your agency are being followed by all employees/agents within your agency. Such audits are also necessary to determine if changes need to be made in your agency's security procedures.

### **5. Training of employees/agents**

New employees/agents hired by your agency need to be trained as to your agency's security procedures. This means that your agency needs to have a written set of security procedures to use for such training. At agency meetings, security procedures should be discussed on a periodic basis.

### **6. Written security procedures are needed for your agency**

Your agency should prepare its own written security procedures for customer information used by your agency. This is necessary to train your employees/agents, to do an annual audit of the security procedures within your agency and also to give to regulators to show that your agency is complying with the new state and federal privacy laws and regulations.

**Allianz Life  
Insurance Company  
of North America**

**Privacy  
Notice**

02-21-01

Allianz Life Insurance Company  
of North America

1750 Hennepin Avenue  
Minneapolis, MN 55403

800/328-5600  
[www.allianzlife.com](http://www.allianzlife.com)

M40018 (4/2001)

## **We Care About Your Privacy!**

In compliance with Gramm-Leach-Bliley (GLB), this notice describes the privacy policy and practices followed by Allianz Life Insurance Company of North America, LifeUSA Insurance Company and their affiliated companies (herein referred to as "Allianz").

Your privacy is a high priority for us and it will be treated with the highest degree of confidentiality. In order for us to be able to provide you with insurance products and services, we need to collect certain information from you. However, we want to emphasize that we are committed to maintaining the privacy of this information in accordance with law. All individuals with access to personal information about our customers are required to follow this policy.

### **Non-public Information Collected.**

- Information we receive from you on insurance and annuity applications, claim forms or other forms such as your name, address, date and location of birth, marital status, sex, social security number, medical information, beneficiary information, etc.
- Information about your transactions with us, our affiliates or others such as premium payment history, tax information, investment information, and accounting information; and
- Information we receive from consumer reporting agencies, such as your credit history.

### **Non-public Information Disclosed.**

- We may provide the non-public information that we collect to affiliated or nonaffiliated persons or entities involved in the underwriting, processing, servicing and marketing of your Allianz insurance products. We will not provide this information to any other nonaffiliated third party unless we have a written agreement that requires such third party to protect the confidentiality of this information.

- We may have to provide the above described non-public information that we collect to authorized persons or entities to comply with a subpoena or summons by federal, state or local authorities and to respond to judicial process or regulatory authorities having jurisdiction over our company for examination, compliance or other purposes as required by law.
- We do not disclose any non-public personal information about our customers to anyone except as permitted or required by law.

### **Confidentiality and Security of Your Non-public Personal Information.**

- We restrict access of non-public personal information about you to only those persons who need to know about that information to underwrite, process, service or market Allianz insurance products and services.
- We maintain physical, electronic, and procedural safeguards that comply with state and federal standards to guard your non-public personal information.
- If we become aware that an item of personal information may be materially inaccurate, we will make a reasonable effort to re-verify its accuracy and correct any error as appropriate.

### **Information About Former Customers.**

Non-public information about our former customers is maintained by Allianz on a confidential and secure basis. If any such disclosure is made, it would be for reasons and under the conditions described in this notice. We do not disclose any non-public personal information about our former customers to anyone except as permitted or required by law.

### **Further Information.**

If you have any questions about our privacy policy, please write to Bernadette Berger at:  
Allianz Life Insurance Company of North America  
1750 Hennepin Avenue  
Minneapolis, MN 55403-2195  
Bernie\_Berger@allianzlife.com

After August 15, 2001, the new address is:  
5701 Golden Hills Drive  
Golden Valley, MN 55416

## **Addendum to Agent Agreement**

This Addendum shall be deemed to form a part of your Agent Agreement with **Allianz Life Insurance Company of North America** and **LifeUSA Insurance Company** in connection with your representation with respect to the policies of the Companies.

### **1. Additional Contract Provisions**

The following additional provisions are hereby deemed to form a part of paragraph 4 of your Agent Agreement:

#### **a. Confidentiality**

1. The term "Personal Information" shall mean financial and health information furnished to you or your representatives by the Company, or by a Consumer or Customer of the Company in connection with the application for policies from the Company or in connection with the administration of policies issued by the Company.
2. The term "Customer" means a person who has a policy issued to him/her by the Company and therefore has a continuing relationship with the Company. The term "Consumer" means (a) a person who applied for a policy with the Company but no policy was ever issued by the Company; and (b) a beneficiary, insured or annuitant where such persons are not the owner of the policy.
3. You agree that Personal Information will be kept strictly confidential by you, your employees and your agents, except for certain disclosures allowed by applicable state and federal privacy laws, that it will not be used for any other purpose except to perform your duties under this Agreement, and that it will not be disclosed to any other parties unless such other parties need to know about such information for the sole purpose of assisting you in the performance of your duties under this Agreement. Your disclosure to other parties will only be done if the other parties have agreed in writing to be bound by a confidentiality provision similar to the one contained in this Agreement.
4. You acknowledge that remedies at law may be inadequate to protect against breach of this provision and therefore agree to the granting of injunctive relief if you or your agents breach this provision.
5. If this Agreement should terminate, your obligations under this provision shall survive such termination and shall continue to be enforceable.

### **2. Additional Contract Provisions**

The following additional provisions are hereby deemed to form a part of paragraph 4 of your Agent Agreement:

#### **a. Agent Transfer**

The Company will not permit a transfer of an agent to another organization without the prior written release by the current organization if an agent has not been contracted through a Field Marketing Organization, Associate Field Marketing Organization or General Agent for at least 18 months, or if an agent shall have written new business for the Company or any of its subsidiaries during the 18-month period immediately preceding a request to transfer the agent to another organization.

### **3. Additional Contract Provisions**

The following additional provisions are hereby deemed to form a part of paragraph 5 of your Agent Agreement:

#### **b. Severability**

If any provision of this Agreement is or becomes invalid or unenforceable, the validity or enforceability of the remainder of this Agreement shall not be affected thereby.