

PRIVACY POLICY
for
PENN INDEPENDENT CORPORATION
AND AFFILIATED COMPANIES¹

Penn Independent Corporation and its affiliated companies (collectively “the Companies”) recognize the importance placed by consumers, customers and claimants on the privacy and safeguarding of their personal information. Whether an individual is already a policyholder or is a consumer applying for insurance-related products and services provided by the Companies, the Companies are obligated (and intend) to maintain the confidentiality and security of the individual’s nonpublic personal information as required by law, and in a manner consistent with privacy expectations of the customer.

The Companies gather both public information and nonpublic personal information about persons who do business with us. This information may be gathered from a variety of sources. Information including name, address, social security number, property valuations, income information and other personal information about the insured and the insured’s property may be collected from the applications or other forms completed, or from information provided by agents. Policy coverage, premiums, and payment history information may be collected from transactions made with the Companies’ affiliates. Additionally, information may be gathered from consumer reporting agencies such as credit bureaus, property inspection services, and other non-affiliated third party organizations.

The Companies collect and use personal information to meet the customers’ insurance needs, to provide quality service, and to comply with the Companies’ business, regulatory and legal obligations. The Companies do not disclose nonpublic information about their current customers, former customers, potential customers or claimants for marketing purposes to nonaffiliated third parties. We do not disclose any nonpublic personal information about consumers and customers, except as follows:

- 1) with consumer/customer consent,
- 2) as required by law,
- 3) as permitted by law,
- 4) as necessary or appropriate to underwrite, administer, service, effect, process or enforce an insurance product that we have issued (or are considering issuing), or
- 5) as necessary to otherwise service a customer’s policy or effect a customer- requested transaction.

When the Companies disclose nonpublic personal information to a nonaffiliated organization that is performing services relative to our operation, we require that such third parties use and disclose the information only as necessary relating to the service or function that they are performing on our behalf.

It is important that the Companies’ employees be aware of and abide by this Privacy Policy and the applicable laws governing the use, handling and disclosure of nonpublic personal information. Employees may not access nonpublic personal information maintained by the Companies unless they have a need to know such material relating to their job performance for the Companies, and the Companies will maintain adequate safeguards to protect the confidentiality and security of the nonpublic personal information that we obtain. Employees may not disclose or use nonpublic personal information except as authorized by the Companies or as permitted or required by law. Failure to comply with these requirements may lead to appropriate disciplinary action by the Company.

This Privacy Policy applies to individuals who are applicants, policyholders, or claimants pursuant to insurance products or services obtained from the Companies primarily for personal, family or household purposes; it does not apply to products or services obtained for business, commercial or agricultural purposes.

The Companies will provide notice of its privacy policy to its customers not less than annually, while the customer maintains a relationship with us.

PIC Privacy Policy, January 2006.

¹ Affiliates currently include Penn-America Group, Inc., Penn-America Insurance Company, Penn-Star Insurance Company, Penn-Patriot Insurance Company, PIC Holdings, Inc., Delaware Valley Underwriting Agency Inc., DVUA Pittsburgh, Inc., DVUA West Virginia, Inc., DVUA of New Jersey, Inc., DVUA of New York, Inc., DVUA North Carolina, Inc., DVUA South Carolina, Inc., DVUA of Ohio, Inc., DVUA Virginia, Inc., DVUA Massachusetts, Inc., Residential Underwriting Agency, Inc., Penn Independent Financial Services, Inc., Penn Oceanic Insurance Co., Ltd., Apex Insurance Agency, Inc., Apex Insurance Services of Illinois, Inc., and Summit Risk Services, Inc.