

CALIFORNIA CONSUMER PRIVACY ACT (CCPA)

NOTICE AT COLLECTION

Last Updated: June 1, 2023

Merchants Bonding Company (Mutual) and Merchants National Indemnity Company, ("Merchants", "we", "us") is collecting your personal information to support its business operations, including for the business purposes described below.

View our full privacy notice at www.merchantsbonding.com/privacy and for more information about our California-specific policy, visit www.merchantsbonding.com/privacy/CCPA-disclosure.

CATEGORIES OF INFORMATION COLLECTED

Depending on the nature of your relationship with Merchants, we may collect and use the following types of Personal Information, as categorized by the CCPA and described below:

- **Identifiers**, such as real name, alias, date of birth, postal address, unique personal identifier, online identifier, Internet Protocol address, email address, account name, Social Security Number, driver's license number, or other similar identifiers;
- **Personal information described in California Civil Code §1798.80(e)**, such as name(s), signature, physical characteristics or description, telephone number, state identification card number, insurance policy or bond number, education, bank account number, financial information, medical information or health insurance information;
- **Characteristics of protected classification under California or federal law**, such as age, marital status and sex;
- **Commercial information**, such as FEIN, records of personal property, transaction information, and purchase history;
- **Biometric information**, such as fingerprints, for certain employees;
- **Internet or other similar electronic network activity information**, such as information regarding your use of our websites;
- **Geolocation data**, such as approximate location based on IP address;
- **Audio, electronic, visual, thermal, or similar information**, such as call and video recordings and information regarding your use of our websites;
- **Professional or employment-related information**, such as current or past job history, employment references, salary/wage, personnel number, position or job title, or professional memberships, qualifications and certifications, and criminal convictions;
- **Education information**, such as educational records and transcripts;
- **Transaction information**, such as balances, payment histories, parties to transactions, information from consumer reports, and other data collected in relation to our provision of insurance services;
- **Inferences** drawn from any of the Personal Information listed above to create a profile about, for example, an individual's preferences and characteristics;
- **Sensitive Personal Information**, as defined under the California Privacy Rights Act, such as Social Security Number, driver's license number, account log-in, racial or ethnic origin, union membership, and the contents of a consumer's mail, email and text message unless we are the intended recipient of the communication.

YOUR PERSONAL INFORMATION MAY BE USED FOR THE FOLLOWING PURPOSES

We may use the Personal Information we collect for a number of purposes, including:

- Providing you with the services that you request, such as completing transactions, processing claims, or providing a quote for one of our products;
- Performing our services, such as underwriting, pricing and administering insurance coverage;
- Communicating with you, for example to respond to inquiries;
- Providing you with information, including communications and interest-based advertisements and marketing communications;
- Supporting employment, infrastructure, and human resource management;

- Developing, operating, delivering, maintaining, improving, enhancing and protecting the services we provide;
- Monitoring, analysis, and research, including trends, usage, inferences, and advertising-related services;
- Enhancing the security of our services and complying with legal requirements, including fraud prevention, legal disputes, and applicable laws.

SENSITIVE PERSONAL INFORMATION

Notwithstanding the purposes described above, we do not collect, use, or disclose “sensitive personal information” beyond the purposes authorized by the CCPA, including to perform services requested by you, providing our products and services, and ensuring the security and integrity of our business, infrastructure, and the individuals we interact with. This includes order processing and fulfillment, servicing accounts, establishing and maintaining employment relationships, providing customer service, verifying customer information, processing payments, and activities related to quality and safety control or product improvement.

DISCLOSURE OF PERSONAL INFORMATION TO THIRD PARTIES AND OTHER RECIPIENTS

We may disclose all of the categories of Personal Information listed above to the following categories of third parties for our operational business purposes: service providers, third parties where required by law, such as disclosures to government agencies who regulate our business, law enforcement, and third parties who are involved in litigation with us. We also may disclose the following categories of Personal Information to authorized agents and brokers for our operational business purposes:

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| • Identifiers | • Internet or network activity information |
| • Personal information, as defined in the California disposal of records law | • Geolocation data |
| • Characteristics of protected classifications under California or federal law | • Audio, electronic, visual, and similar information |
| • Commercial information | • Professional or employment-related information |
| • Sensitive Personal Information | • Education |
| | • Inferences |

We do not provide your data to third parties in exchange for monetary consideration but during the past 12 months we may have disclosed data to certain third parties that provide us with services such as data analysis and improving our online services, which may fall under the definition of “consideration” and therefore be deemed a “sale” or “share” under the CCPA. We have disclosed the following categories of information to third parties for valuable (but not monetary) consideration: Identifiers; Commercial information; Internet or network activity information; geolocation data; audio, electronic, visual, and similar information.

We may also disclose Personal Information to a third party in the event of any reorganization, financing transaction, merger, sale, joint venture, partnership, assignment, transfer, or other disposition of all or any portion of our business, assets, or stock (including in connection with any bankruptcy or similar proceedings).

HOW LONG WE RETAIN PERSONAL INFORMATION

The length of time that we intend to retain each category of Personal Information will depend on a number of criteria, including (i) the length of time we are required to retain Personal Information in order to comply with applicable legal and regulatory requirements, (ii) the length of time we may need to retain Personal Information in order to accomplish the business or commercial purpose(s) for which such Personal Information is collected, used or disclosed (as indicated in this Disclosure), and (iii) whether you choose to exercise your right, subject to certain exceptions, to request deletion of your Personal Information.

NOTICE OF RIGHT TO OPT-OUT OF “SHARING” OR “SELLING” OF PERSONAL INFORMATION

You have the right to opt out of any future “sharing” or “selling” of your Personal Information for purposes of cross-context behavioral advertising. You can opt out in a frictionless manner by broadcasting an Opt-Out Preference Signal, such as the Global Privacy Control (GPC), or Do Not Track (on the browsers and browser extensions that support such signals). You can also opt out by selecting the Manage Cookies icon in the bottom left corner of our website and following the instructions in the menu to opt out of advertising cookies.