

**STATE OF CALIFORNIA
DEPARTMENT OF INSURANCE
45 Fremont Street
San Francisco, California 94105**

File No. REG-2010-00015

September 22, 2010

FINAL PROPOSED REGULATION TEXT

PRIVACY OF NONPUBLIC PERSONAL INFORMATION

ARTICLE 2.

**PRIVACY NOTICES; OPT OUT NOTICES FOR
NONPUBLIC PERSONAL FINANCIAL INFORMATION**

Section 2689.8. Form of Opt Out Notice and Opt Out Methods.

(a)

(b)

(c) A licensee is not subject to the notice and opt out requirements for nonpublic personal financial information if the licensee is an employee or agent of another licensee (“the principal”) and:

 (1) The principal otherwise complies with, and provides the required notices; and

 (2) The licensee does not disclose any nonpublic personal financial information to any person other than the principal or its affiliates in a manner permitted by California Insurance Code Sections 791 – 791.27 or these regulations.

For purposes of these regulations, “agent” is defined in California Insurance Code Section 791.02(c) to include any person licensed pursuant to Chapters 5, 5A, 6, 7, or 8 and thus includes an insurance broker.

~~(3) — A licensee not otherwise subject to the notice and opt out requirements for nonpublic personal financial information, pursuant to sections 2689.8(c)(1) and (2), is subject to the notice and opt out requirements, pursuant to California Insurance Code Section 791.13(k), if the licensee, prior to issuance of a renewal policy or at any other time, shares nonpublic personal financial information with any person other than the insurer which issued the existing policy. A licensee shares nonpublic personal financial information with a person other than the insurer which issued the existing policy if the licensee shares nonpublic personal financial information~~

~~with another insurer in an effort to obtain a renewal policy on more favorable terms than the existing policy.~~

NOTE: Authority cited: Sections 791 – 791.27, Insurance Code; and 15 U.S.C. Sections 6801, 6805, and 6807. Reference: Sections 791.13, Insurance Code; Section 4056.5, Financial Code; and 15 U.S.C. Section 6802.