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The Center For Information Policy Leadership

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February 6, 2004

Federal Trade Commission
Office of the Secretary
Room 159-H
600 Pennsylvania Avenue, NW
Washington, D.C. 20580



Re: Alternative Forms of Privacy Notices, Project No. P034815

Dear Sir or Madam:

On January 20, 2004, the Notices Project from the Center for Information Policy Leadership met with the interagency group working on the Interagency Proposal to Consider Alternative Forms of Privacy Notices under the Gramm-Leach-Bliley Act. At that time, CIPL distributed a spiral-bound book containing the information we presented. This letter is a formal submission of that notebook.

Per your request, we also attach "Suggested Principles to Guide The Financial Services Regulators Privacy Notices Considerations." We trust these principles will assist the agencies in their tasks.

The CIPL Notices Project intends to file additional comments prior to the expiration of the comment period on March 29, 2004.

Thank you for your consideration. If you have any questions about either submission please call me at (404) 888-4274.

Sincerely,

Martin Abrams
7x7

Martin E. Abrams
Executive Director

MEA/tlf
Enclosures

Suggested Principles to Guide The Financial Services Regulators Privacy Notices Considerations

1. **GOALS PRINCIPLES: Simplified notices have two goals. It is important that both goals be met.**
 - **First, they should improve consumer comprehension of corporate privacy practices.**
 - **Second, they should facilitate comparison of corporate privacy practices.**

The interagency group should establish benchmarks against which to measure the success of any simplified notice proposal with respect to each of these goals. The research on notices referenced below provides insights on how to establish these benchmarks. For example, a common notice format will facilitate both comprehension and comparisons.

To these ends, we recommend that the interagency group see their efforts as creating a model for transparency. Regulators should also be supportive of national and international standards related to short notices to improve comprehension of relevant data for authorities and advisors as well as consumers.

2. **LEARNING PRINCIPLE: Respect the extensive body of research on how individuals learn from notices.**

The interagency group should rely on the wealth of existing research on effective learning and consumer information processing. This research should guide decisions on establishing consumer education goals for notice forms. It can also guide development of forms that improve consumers' ability to use notice information as a basis for comparing different financial institutions' practices.

The research on education reveals four key lessons:

- **Notices should be short.**

For notices to convey information to the majority of readers, they must contain no more than seven unique topics or messages. Each topic should have no more than four specific points. Any model template developed by the regulators should respect these length limits.

- **Notices must be written using simple language.**

Notices must be written using words that are familiar to the reader. Use of complex or unfamiliar words, such as legal terms or industry jargon will render the notice incomprehensible. Any model template developed by the regulators should include a sample glossary of words that have been tested with consumers to ensure that they meet established comprehension objectives.

- **Notices must share a common format.**

Effective notices utilize the readers' short and long term memories. Notice forms are most successful if consumers can apply what they learned from the notice they saw previously to better understand the notice they see today. Any model template developed by the regulators should provide a format that can be used by all financial institutions as well as other industries. Furthermore, regulators should recognize the need for any model to be applied consistently across the US.

- **Notices must be designed to enhance readability.**

Design elements, such as use of defined text boxes and white space, can significantly enhance readability. Any model template developed by the regulators should use design elements to enhance readability.

3. FLEXIBILITY PRINCIPLE: Layered notices systems enable organizations to achieve the goals of comprehension and comparison without compromising their ability to accurately describe all corporate information handling practices.

Because financial institutions have different privacy and information use practices, it is vital that common notice forms and language do not dictate or restrict practices. The design and language must be able to convey the full range of corporate practices.

Layered notices systems provide financial institutions with flexibility. The simplified (or "highlights") notice template allows the organization to provide consumers with the most important information, in a common format, for maximum comprehension and comparison. A complete statement of all privacy and information use practices should be available upon request to any person that wants to understand the full range of corporate practices.

Increasingly, accounts are opened remotely, on the phone, at merchant locations, through the mail and through the Internet. Notices could be on product packaging, on registration or signature cards, or on receipts generated by banking machines. The design and testing should take into consideration the various methods of delivering notices.

4. TRUST PRINCIPLE: Notices are an important vehicle for corporate branding and trust-building.

Improving comprehension and comparison will further enhance the ability of financial institutions to build trust and branding with their notice documents. Layout and design of the common elements must be done in a manner that still leaves plenty of room for companies to use their own colors, logos and font styles.

There is also a need for notices across institutions to rebuild the trust and understanding about financial institutions in general. To the extent that financial modernization, as authorized in GLBA, has significant benefits for consumers and institutions, notices should make customers more comfortable in the transition to those benefits.

5. TESTING PRINCIPLE. Testing is essential.

To determine if the goals for comprehension and comparison are met, any simplified notices templates and glossaries must be broadly tested with consumers. Testing should also occur with financial institutions to ensure that the forms permit accurate representation of their practices and that implementation of the forms will not present any unforeseen technical or business process obstacles.

Since customer attitudes and ability to read such notices is likely to change with greater familiarity, provisions in the regulation should allow companies to continue testing and refining their notices rather than lock in with what may work today.

**HUNTON &
WILLIAMS**



CENTER FOR INFORMATION POLICY LEADERSHIP

HIGHLIGHTS NOTICES PROJECT

January 20, 2004



HIGHLIGHTS NOTICES REGULATOR'S MEETING

**Center for Information Policy Leadership
Hunton & Williams LLP
Bank of America Plaza
Suite 4100
600 Peachtree Street, N.E.
Atlanta, GA 30308-2216**

**Martin E. Abrams
(404) 888-4274
mabrams@hunton.com**

January 20, 2004



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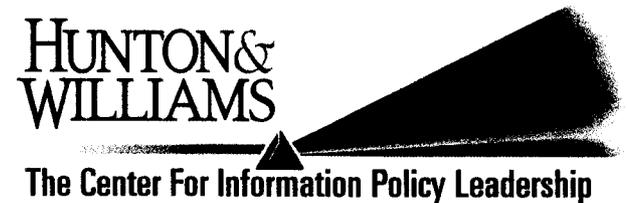
MBNA Research

SECTION 6

Meeting Participants

Preliminary Research on Short / Highlights Privacy Notices

January 20, 2004



Our objective – validate concept and structure of short highlight notices.

- Validate the six categories (max number) chosen based upon collective corporate experience.
 - Determine if other categories needed to be added.
 - Determine which categories are most important.
- Get feedback on whether consumers liked the "universal" approach, which best fits our model of how consumers learn to read such notices, in comparison to the industry or sector approach represented by GLBA/HIPAA.
- Gather words from consumers that they may naturally use when they describe the categories on the template.
- Gather feedback on various templates for short notices.
- Find out what actions consumers may take.

Six focus groups were held.

- 3 focus group sessions -- Feb 13, 2002:
 - 2 evening sessions with general population.
 - 1 day-time group with P&G Creative Consumer Board.
- 3 focus group sessions -- Aug 5, 2003
 - All participants from the general population.
 - Screened for awareness of privacy notices.
- All sessions held at the P&G “Home of the Future” in Cincinnati.
- Moderated by team members.

Sessions were structured to allow for open ended feedback and opinions.

- Sessions started with free discussion of privacy notices that consumers had seen recently and their responses to them.
- Next step was to capture open ended thoughts about the privacy categories that we had defined.
- Participants discussed and debated the priority that should be given to the defined categories and topics within them.
- Feedback was gathered about selected words (vocabulary).
- Discussion concluded with feedback on various visual structures.

Some results were clear across all sessions, both in 2002 and 2003.

- The six categories appeared to address the consumers' most important concerns.
- While consumers were aware of recently received privacy notices (GLBA in 2002, HIPAA in 2003), they did not appear to be well informed about many of the underlying concepts, such as how and why companies use data.
- Consumers rejected long notices as the primary approach.
- Consumers liked the template approach.
- Significant work is required on vocabulary .
- Consumers are not bothered by leaving out the obvious.

Participants said they no longer read current notices.

- “ Once you have seen one...”
- “ I read the first couple....pretty much know what they are going to say.”
- “ Companies put it on there for their own protection....”
- “ Want to know why there is a privacy issue now, but don't want to read a whole page.”
- “ I think about the environment. It's a waste of paper, a real waste.”

Participants were positive about highlights notices.

- “ They’ve gone to efforts to do this. This looks important. They put effort into this.”
- “ The short one would be good enough after the initial copy.”
- “ If the privacy notice came in this format, I would probably read it.”
- “ If you simplify it, more people will read it and know what information will be shared.”
- “ Simple is better for me, and it gives me options if I want to go further.”
- “ I liked it.”

There were some important differences between 2002 and 2003

2002

- GLBA notices were new
- little need seen for having long notices available
- data security was not important for notices.
- groups wanted to cut preambles; little trust in companies.

2003

- HIPAA notices dominated
- strong agreement that long notices were important to have on request/web site.
- data security became a top of mind issue.
- Liked short statement about the company; brands more important.

Vocabulary is still the major challenge.

- “Some of it could be better explained.”
- In some cases, concepts such as “purchased data” were outside their normal frame of reference.
- In other cases, common words had too many overtones to communicate the right message:
 - “Share” vs. “Disclose” vs. “Sell”
 - “Data”
 - “Policy”
 - “Scope”

The 2003 group liked having the long notice available.

- This may have been influenced by structural factors:
 - The panel was screened for awareness of privacy notices.
 - More readable versions of long notices were shown in 2003.
- Two participants (10%) said they would always read such longer notices. Most only wanted them upon request.
- Other comments:
 - “I really liked having the links. It made it shorter but made it easy to get other information if you need it.
 - The short one would be good enough after the initial copy.”

Other findings.

- “Use” and “Choice” were the most important categories in both years.
- Participants liked various concepts and reasons for having information to contact the company.
- The template format and consistent placement of categories were strongly preferred.
- Participants liked the idea of one template used by all companies.

Conclusions

- While this should be considered preliminary research, consistent feedback across this number of groups lends credibility to the concept and structure of short notices.
- Changes between 2002 and 2003 indicate that consumer needs for notices and framework for understanding notices are likely to change with better examples and experience.
- A stronger desire for “on request” long notices emerged in 2003, perhaps in response to better examples.
- Vocabulary is likely to remain an important challenge as companies begin to adopt this approach.

Chase Privacy Policy

Privacy Policy Highlights

For more information, read our [full privacy policy](#).

PERSONAL INFORMATION

- We collect information directly from you and from your transactions with us and others.
- We obtain information, such as your credit report, from information providers.

SCOPE

These statements apply to the Chase family of companies owned by J.P.Morgan Chase & Co and to our consumer customers.

USES

- We manage information to serve you.
- We share information about you within the Chase family to provide you with other products and services.
- We share information about you with other companies for offers of their products and services.
- We share information about you with our service providers, credit bureaus and law enforcement.

YOUR PRIVACY CHOICES

- You may direct us not to share information about you for non-financial offers.
- You may direct us to limit certain information sharing within our family of companies.
- You may direct us not to contact you with offers.
- To make any of these choices, submit your privacy choices [online](#) or contact us at 1-800-574-7168.

IMPORTANT INFORMATION

- Review helpful information on [identity theft](#) or how to get help if you become a victim.
- View our [full privacy policy](#).
- View our [online consumer information practices](#).

HOW TO REACH US

- [Contact us](#) via email.
- Call the toll-free Chase Privacy Hotline at 1-800-574-7168.
- Submit your privacy choices [online](#).

For more information, read our [full privacy policy](#).

This site is directed at persons in the United States only. Persons outside the United States may visit [International Banking](#).



Procter and Gamble Company Privacy Notice Highlights

Scope

This statement applies to the **Procter & Gamble Company** and the www.pg.com website.

Personal Information

- We collect information you choose to submit during your registration.
- We use common internet technologies such as cookies on our websites and emails.
- We sometimes obtain additional information about you, such as your demographic and lifestyle information, from other sources.
- For more information about our information collection practices please [click here](#).

Uses

- We use the information you submit to provide you with the service you requested.
- We use information about you to provide you with helpful and targeted offers from P&G products and services. [Click here](#) for more information.
- We do not share, trade, or sell information about you with other marketers without your permission. We may share your information with vendors we've hired to send you the offers you signed up for. [Click here](#) for more information.

Your Choices

- You may request to be removed from our programs by [clicking this link](#).
- You may request access to personal information you have submitted to P&G by [clicking this link](#).

Important Information

- The PG.com website has been awarded the [Better Business Bureau OnLine® Privacy Seal](#). Please [click here](#) for more information.
- We take steps to protect the information you provide against unauthorized access and use. For more information [click here](#).

How to Contact Us

For more information about our privacy policy, go to the privacy statement on our website at:

http://www.pg.com/privacy_full.html

Or write us at:

P&G Privacy Team
One Procter & Gamble Plaza
TN-7
Cincinnati, OH 45202

Fidelity Investments Privacy Notice Highlights

Scope

This statement applies to all companies owned by Fidelity Investments using the Fidelity name to provide financial services to customers.

Personal Information

- We collect information directly from you or your representative, from activity in your account, and from your visits to our Web sites.
- We obtain information from information services and consumer reporting agencies, and from other sources with your consent or the consent of your representative.

Uses

- We use information about you primarily to service your account and process your transactions.
- We share this information internally among the Fidelity companies to offer you products and services.
- We may share information about you with government agencies, other regulatory bodies, and law enforcement officials for tax purposes or to report suspicious transactions.
- If you are an individual investor, we may share this information with outside financial services business partners to jointly offer you discounts or special access to products and services.

Your Choices

- You can customize the information Fidelity sends you about [Products and Services](#) or our [Partner Offers](#).
- Fidelity's privacy and security protections automatically apply to all Fidelity visitors and customers.

Learn More

- See [Fidelity's Privacy Policy](#).
- Call 800-FIDELITY for more information, or to have the Privacy Policy mailed to you.
- Read about a [20-company research project \(PDF\)](#) on privacy policy highlights.

Privacy

IBM privacy practices on the web

Scope

This statement applies to IBM Web Sites Worldwide.

Personal Information

In general, you can visit us on the Internet without telling us who you are or giving us personal information. There are times when we may need information from you, for instance: to process an order, to correspond, to provide a subscription or in connection with a job application. We may supplement this information to complete a transaction or to provide better service

Uses

- To fulfill your requests by us or by others involved in fulfillment.
- To contact you for customer satisfaction surveys, market research or in connection with certain transactions.
- By IBM and selected organizations for marketing purposes if you have permitted such use.
- In a non-identifiable format for analysis (e.g., Clickstream Data).
- To develop our business relationship if you represent an IBM Business Partner or Vendor.

Your Choices

- When we collect information from you, you may tell us that you do not want it used for further marketing contact and we will respect your wishes.
- You may also turn off cookies in your browser.

Important Information

IBM is a member of TRUSTe (www.truste.org). IBM abides by the EU/US Safe Harbor Framework. To correct inaccuracies in IBM's record of your personal information respond to the sender or contact IBM at access_request@us.ibm.com.

For IBM's complete notice see [IBM's Privacy policy](#).

How to Contact Us

Questions about this statement or about IBM's handling of your information may be sent to:

prvcy@us.ibm.com, or

Privacy, IBM, 1133 Westchester Avenue, White Plains, NY 10604.



EASTMAN KODAK COMPANY GROUP HEALTH PLANS HIPAA Privacy Notice Highlights

Dated: April 14, 2003

This short notice briefly describes how Kodak group health plans may use and disclose medical information they have about you and your dependents and how that information can be accessed. Accompanying this short notice is the complete privacy notice containing details about the plans' current privacy practices. Please refer to that notice for additional information.

SCOPE	This notice applies to Kodak group health plans and those who help manage the plans.
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USES AND DISCLOSURES	<p>As explained in the complete privacy notice, a Kodak group health plan may use and disclose medical information about you:</p> <ul style="list-style-type: none"> ◦ for treatment, payment, and business and administrative activities related to the plan; ◦ to inform you about health-related products and services included in the plan or available to plan enrollees, and payment for those products and services; ◦ to recommend other treatments and health care providers; or ◦ for medical research and public health and safety activities. <p>For other proposed uses or disclosures, except as required by law, the use or disclosure will be explained and your permission will be requested.</p>
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YOUR RIGHTS AND CHOICES	<p>You may:</p> <ul style="list-style-type: none"> ◦ review, copy and ask to amend certain medical information a Kodak group health plan has about you; ◦ ask for a list of certain disclosures made of that information; ◦ ask to deliver medical information about you to an alternative address; or ◦ ask that your medical information not be shared with certain family members or others. <p>Where you have given us permission to use or share your medical information, you may change your mind at any time. To exercise these rights or choices, contact us as indicated below.</p>
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OTHER IMPORTANT INFORMATION	HOW TO REACH US	<p>If you have any questions or concerns about the plans' privacy practices, contact:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <p>For All Plans Other Than EAP:</p> <p>Plan Privacy Officer Eastman Kodak Company 343 State Street Rochester, New York 14650-1143 585-724-4800</p> </td> <td style="width: 50%; vertical-align: top;"> <p>For EAP:</p> <p>Plan Privacy Officer Eastman Kodak Company 1669 Lake Avenue Rochester, New York 14652-4702 585-588-2208</p> </td> </tr> </table>	<p>For All Plans Other Than EAP:</p> <p>Plan Privacy Officer Eastman Kodak Company 343 State Street Rochester, New York 14650-1143 585-724-4800</p>	<p>For EAP:</p> <p>Plan Privacy Officer Eastman Kodak Company 1669 Lake Avenue Rochester, New York 14652-4702 585-588-2208</p>
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EASTMAN KODAK COMPANY GROUP HEALTH PLANS

HIPAA Privacy Notice

THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.

Beginning April 14, 2003, a new set of legal requirements apply to the use and disclosure of certain medical information by the group health plans sponsored by Eastman Kodak Company ("Kodak"). The law containing these requirements is commonly known as "HIPAA." This stands for the Health Insurance Portability and Accountability Act of 1996.

Kodak believes strongly in protecting the confidentiality and security of medical information. Much of what is required by HIPAA's privacy regulations has long been required by state law or by Kodak's policies. As a result, the Kodak group health plans described below have been protecting the privacy of medical information in their possession using the controls set by Kodak prior to HIPAA. Nonetheless, HIPAA requires additional actions take place with respect to certain medical information that identifies the individuals to whom the information pertains. This notice describes how a Kodak group health plan may use or disclose the personal medical information that it has about you, as well as your rights and choices concerning that information.

Plans To Which This Notice Applies

This notice summarizes the uses and disclosures of personal medical information by the following Kodak group health plans:

<i>Active Employee Plans</i> *	<i>Retiree, LTD Recipient and Survivor Plans</i> *
<ul style="list-style-type: none">◦ Kodak Medical Assistance Plan◦ Kodak Prescription Drug Plan (KRx)◦ Kodak Dental Plan (Kdent)◦ Kodak Health Care Reimbursement Account Plan (HCRA)◦ Kodak Employee Assistance Plan (EAP)	<ul style="list-style-type: none">◦ Kodak Basic Health Care Plan (Basic)◦ Kodak Extended Health Care Plan (Extended)◦ Kodak Medical Assistance Plan◦ Kodak Prescription Drug Plan (KRx)◦ Kodak Dental Assistance Plan (KDAP)◦ Kodak Dental Plan (Kdent)

Note that the terms of this notice do not apply to any medical information in Kodak's possession outside of these group health plans, such as medical records held by the Medical Department, Human Resources, or Kodak's disability or workers' compensation plans. The privacy practices pertaining to those records are provided in the You and Kodak Handbook for active employees.

For purposes of HIPAA, the group health plans identified above constitute an "organized health care arrangement." Whenever the term "Plan" is used in this notice, it refers to each group health plan in the organized health care arrangement individually or the arrangement itself, as appropriate.

Protected Medical Information

The privacy policies and practices of the Plan protects medical information that identifies you or your covered dependent, or could be used to identify you or your covered dependent, and relates to a physical or mental health condition or the payment of medical expenses. This individually identifiable information is referred to in this notice as "Protected Medical Information." A covered person's Protected Medical Information will not be used or disclosed without a written authorization from the covered person, except as described in this notice or as otherwise permitted by federal and state laws. For purposes of this notice, the word "you" or "your" pertains to each covered person under the Plan.

HIPAA also requires that, when a use or disclosure of your Protected Medical Information requires authorization, only you or your "personal representative" can give the authorization. Generally, your personal representative must be legally authorized to make health care decisions on your behalf. If you are an unemancipated minor, the Plan will automatically recognize each of your

HIPAA also applies to the Kodak Long-Term Care Plan; however, since this plan is fully insured, the privacy notice distributed by the insurance carrier underwriting plan benefits will serve as the privacy notice for that plan.

parents as your personal representative. Also, if you are in need of urgent medical care, the Plan will automatically recognize a health care professional with knowledge of your medical condition as your personal representative. In all other cases, your personal representative must be formally designated by you, a court or your estate. For example, you can designate your spouse or domestic partner as your personal representative, or your spouse, domestic partner or adult child can designate you as his or her personal representative, by executing a power of attorney that covers health care decisions.

Privacy Obligations Of The Plan

HIPAA requires the Plan:

- to make sure your Protected Medical Information is kept private;
- to give you a copy of this notice; and
- to comply with the terms of this notice.

The Plan reserves the right to change the terms of this notice and its privacy policies at any time. Any changes will apply to Protected Medical Information that the Plan already has, as well as any future Protected Medical Information the Plan receives. If an important change is made to the Plan's policies, an updated notice will be provided to you either by e-mail or U.S. mail within 60 days of the effective date of the change.

Certain Kodak employees (for example, Kodak Benefits Center representatives) are authorized to act on behalf of the Plan for administration purposes. These employees are required to comply with the Plan's privacy policies summarized in this notice or any updated notice, as well as the requirements of any applicable law besides HIPAA.

If the Plan uses third-parties to perform some or all of its administrative responsibilities involving Protected Medical Information, these third-parties will have agreed to also comply with the terms of this notice and any updated notice, as well as the terms of any other applicable law besides HIPAA. These third-parties are referred to as "business associates" of the Plan. For example, if you have EPO, POS or Kmed coverage under the Kodak Medical Assistance Plan, or coverage under Basic and/or Extended, the third-party vendor administering your coverage is a business associate of the applicable Plan. In some cases, you may also receive privacy notice directly from the business associate. The terms of that privacy notice will apply to any of your Protected Medical Information that the business associate may have.

If the Plan offers insured coverage (for example, HMO coverage other than John Deere Select under the Kodak Medical Assistance Plan) and you are enrolled in such coverage, the HMO or insurance carrier will also send you a copy of its privacy notice. The terms of the privacy notice you receive from an HMO or insurance carrier will apply to any of your Protected Medical Information that the HMO or carrier may have.

How The Plan May Use And Disclose Your Protected Medical Information

The following are the different ways the Plan (that is, the Plan Administrator or a business associate of the Plan) may use or disclose your Protected Medical Information:

- **For Treatment.** The Plan may disclose your Protected Medical Information to a health care provider who renders treatment on your behalf. For example, if you are unable to provide your medical history as the result of an accident, the Plan may advise an emergency room physician about the types of prescription drugs you currently take.
- **For Payment.** The Plan may use and disclose your Protected Medical Information so claims for health care treatment, services and supplies you receive from health care providers may be paid according to the Plan's terms. For example, the Plan may receive and maintain information about surgery you received to enable the Plan to process a hospital's claim for reimbursement of surgical expenses incurred on your behalf. Also, the Kodak Benefits Center may verify your Plan coverage when your physician's office calls for this information.
- **For Health Care Operations.** The Plan may use and disclose your Protected Medical Information to enable it to operate or to operate more efficiently or to make certain all of the Plan's covered persons receive approved Plan benefits. For example, the Plan may use your Protected Medical Information for case management or to perform population-based studies designed to reduce Plan costs. In addition, the Plan may use or disclose your Protected Medical Information to conduct compliance reviews, audits, actuarial studies, and/or for fraud and abuse detection.

Each Plan may disclose Protected Medical Information about you to another Plan for the health care operations of that Plan. For example, the Kodak Medical Assistance Plan, KRx and Kdent can share claims information with HCRA for purposes of operating HCRA's automatic claims transfer feature.

Treatment or Medicine Alternatives. The Plan may use and disclose your Protected Medical Information to tell you about possible treatment or medicine options or alternatives that may be of interest to you.

• **Health-Related Benefits and Services.** The Plan may use and disclose your Protected Medical Information to tell you about health-related benefits available to you under your current Plan coverage and about other health-related products or services that may be of interest to you.

• **To the Company.** Your Plan Protected Medical Information may be disclosed to the Kodak personnel authorized to act on behalf of the Plan so they can carry out their Plan-related administrative functions, including the uses and disclosures described in this notice.

The Plan may disclose your Plan enrollment information (that is, your elected Plan option, coverage level and participant contribution, as appropriate) to certain other Kodak personnel, but the information will not be used for any employment-related actions and decisions or in connection with any other employee benefit plan sponsored by the Kodak. Your enrollment information may be shared with such personnel for purposes of:

- determining the correct participant contribution amounts to be deducted from your pay for your Plan coverage;
- completing your enrollment confirmations and annual total compensation statements;
- implementing the result of a Resolution Support Services decision; or
- analyzing and implementing the terms of a merger, acquisition or divestiture.

Your Plan Protected Medical Information will not be disclosed to any other Kodak employees for any other reason unless you are notified in advance and, when applicable, the disclosure is approved by you in writing.

• **To a Business Associate.** The Plan will disclose your Protected Medical Information to its business associates so that the business associates can perform the Plan administrative services delegated to them. For example, the Plan may provide your enrollment information to a business associate performing the claims payment function for the Plan so your claims for Plan benefits may be paid. Before disclosing this information, however, the Plan will require its business associates, through a written contract, to comply with HIPAA and appropriately safeguard your Protected Medical Information.

• **To Family, Friends and Other Acquaintances.** In an emergency, the Plan may disclose Protected Medical Information to a family member or close friend involved in or who helps pay for your health care. For example, if you are taken to a hospital emergency room by a family member, and the family member needs to provide the hospital with your Plan coverage information, the Plan may disclose your enrollment information to the family member.

The Plan may also disclose your Protected Medical Information to a family member, close friend or other person if you are present and do not object to the disclosure. For example, if you bring a relative, friend or financial planner to your retirement exit interview, your Plan options and enrollment information will be discussed in the presence of that person unless you advise the Kodak Benefits Counselor otherwise.

• **As Required by Law.** The Plan will disclose your Protected Medical Information when required to do so by federal, state or local law, including those laws that require the reporting of certain types of wounds or physical injuries.

• **Lawsuits and Disputes.** If you become involved in a lawsuit or other legal action, the Plan may disclose your Protected Medical Information in response to a court or administrative order, subpoena, warrant, discovery request, or other lawful process.

• **Law Enforcement.** The Plan may release your Protected Medical Information if asked to do so by a law enforcement official, for example, to identify or locate a suspect, material witness, or missing person or to report a crime, the crime's location or victims, or the identity, description, or location of the person who committed the crime.

• **Workers' Compensation.** The Plan may disclose your Protected Medical Information to the extent authorized by and to the extent necessary to comply with workers' compensation laws and other similar programs.

• **Military and Veterans.** If you are or become a member of the U.S. armed forces, the Plan may release your Protected Medical Information as deemed necessary by military command authorities.

• **To Avert Serious Threat to Health or Safety.** The Plan may use and disclose your Protected Medical Information when necessary to prevent a serious threat to your health and safety, or the health and safety of the public or another person.

• **Victims of Abuse, Neglect or Domestic Violence.** Under certain circumstances, the Plan may disclose to the appropriate government authority Protected Medical Information about you if the Plan believes you are a victim of abuse, neglect or domestic violence. The Plan will make this disclosure only (1) if you agree or (2) to the extent required or authorized by law and the Plan believes the disclosure is necessary to prevent serious harm.

Public Health Risks. The Plan may disclose Protected Medical Information about you for public health activities. These activities include preventing or controlling disease, injury or disability; reporting births and deaths; reporting child abuse or neglect; or reporting reactions to medication or problems with medical products or to notify people of recalls of products they have been using.

Health Oversight Activities. The Plan may disclose your Protected Medical Information to a health oversight agency for audits, investigations, inspections, and licensure necessary for the government to monitor the health care system and government programs.

- **Research.** Under certain circumstances, the Plan may use and disclose Protected Medical Information about you for medical research purposes.

National Security, Intelligence Activities, and Protective Services. The Plan may release your Protected Medical Information to authorized federal officials:

- for intelligence, counterintelligence, and other national security activities authorized by law;
- to enable them to provide protection to the members of the U.S. government or foreign heads of state; or
- to conduct special investigations.

Organ and Tissue Donation. If you are an organ donor, the Plan may release medical information to organizations that handle organ procurement or organ, eye, or tissue transplantation or to an organ donation bank to facilitate organ or tissue donation and transplantation.

Coroners, Medical Examiners, and Funeral Directors. The Plan may release your Protected Medical Information to a coroner or medical examiner. This may be necessary, for example, to identify a deceased person or to determine the cause of death. The Plan may also release your Protected Medical Information to a funeral director, as necessary, to carry out his or her duties.

Other Uses and Disclosures

The Plan will make other uses and disclosures of Protected Medical Information about you that are not discussed in this notice only with your written authorization.

Your Rights Regarding Your Protected Medical Information

You have certain rights regarding the Protected Medical Information that the Plan maintains about you. These rights are described below.

- **Right to Inspect and Copy.** You have the right to inspect and copy certain Protected Medical Information about you contained in a “designated record set.” A designated record set includes Protected Medical Information about your Plan eligibility, claim and appeal records and billing records. In addition to the designated record set kept on-site at the company by the Plan Privacy Officer, each business associate of the Plan may keep a separate designated record set for your Protected Medical Information in its possession.

To inspect and copy any of your designated record sets, you must submit your request in writing to:

- the Plan Privacy Officer if the set is kept by authorized Kodak personnel or
- the business associate maintaining the set (see *Contact Information* below).

You may be charged a fee for the cost of copying and/or mailing your request. In limited circumstances, your request to inspect and copy a designated record set may be denied. Generally, if you are denied access, you may request a review of the denial.

Note: There is no right to inspect or copy psychotherapy notes, information gathered in anticipation of or for use in a civil, criminal or administrative action, and certain laboratory information.

- **Right to Amend.** If you feel that your Protected Medical Information in a designated record set is incorrect or incomplete, you may ask the Plan Privacy Officer or business associate, as applicable, to amend it. (See *Contact Information* below.) You have the right to request an amendment for as long as the designated record set is kept.

To request an amendment to the Protected Medical Information in any of your designated record sets, you must send a detailed request in writing to the Plan Privacy Officer or business associate maintaining the set, as appropriate. You must provide the reason(s) to support your request. Your request may be denied if you ask to amend Protected Medical Information that was:

- accurate and complete;
- not created by the Plan;
- not part of the Protected Medical Information kept by or for the Plan; or
- not information that you would be permitted to inspect and copy.

Right to An Accounting of Disclosures. You have the right to request an “accounting of disclosures.” This is a list of disclosures of your Protected Medical Information made to others, except for those disclosures necessary to carry out health care treatment, payment, or operations; disclosures made to you; or disclosures made in certain other situations. The Plan Privacy Officer will provide an accounting of disclosures made by authorized Kodak personnel and each business associate of the Plan will provide its own accounting of disclosures.

To request an accounting of disclosures, you must submit your request in writing to the Plan Privacy Officer or business associate, as applicable. (See *Contact Information* below.) Your request must state a time period for which you are requesting the accounting, which may not be longer than six years prior to the date the accounting was requested, but not prior to April 14, 2003.

Right to Request Restrictions. You have the right to request a restriction on your Protected Medical Information used or disclosed by the Plan for treatment, payment, or health care operations. You also have the right to request a limit on the Protected Medical Information disclosed about you to someone who is involved in your care or the payment for your care, like a family member or friend. For example, you could ask that the Plan not use or disclose information about a surgery you had.

To request restrictions, you must make your request in writing to the Plan Privacy Officer, if Protected Medical Information subject to your request is possessed by authorized Kodak personnel, or the business associate possessing the Protected Medical Information you wish to restrict. (See *Contact Information* below.) Your request must state:

- what information you want to limit;
- whether you want to limit the Plan’s use, disclosure, or both; and
- to whom you want the limit(s) to apply.

The Plan is not required to agree to your request.

Right to Request Confidential Communications. You have the right to request that your Protected Medical Information be communicated to you in a certain way or at a certain location if you clearly state that the disclosure of the information could endanger you. For example, you can ask that your explanation of benefits (EOB) forms about your Plan benefit claims be sent to a specified address.

To request confidential communications, you must make your request in writing to the Plan Privacy Officer, if the Protected Medical Information to be subject to your request is possessed by authorized Kodak personnel, or the business associate possessing the Protected Medical Information subject to your request. (See *Contact Information* below.) Your request must specify how or where you wish to be contacted.

Note: Because the Plan Privacy Officer and/or business associate receiving your request for confidential communication does not share this request with each other or your provider(s), you should make a separate request to each party possessing the Protected Medical Information you wish to keep confidential.

Right to a Paper Copy of this Notice. If you received an electronic copy of this notice, you have the right to a paper copy of this notice. To request a paper copy, contact the Kodak Benefits Center at 585-724-1000 or 1-800-221-6543.

Complaints

If you believe your privacy rights under this policy have been violated, you may file a written complaint with the appropriate Plan Privacy Officer at the address listed below. You may also submit written complaints to the individual identified in a privacy notice provided by a Plan’s business associate, HMO or insurance carrier if the complaint relates to the activities of that business associate, HMO or carrier. You may also complain to the Secretary of the U.S. Department of Health and Human Services, generally, within 180 days of when the act or omission complained of occurred.

Note: You will not be penalized or retaliated against for filing a complaint.

Revoking Authorizations Of Protected Medical Information Uses And Disclosures

If the Plan asks to use or disclose your Protected Medical Information for a purpose needing your authorization and you authorize the use or disclosure, you may revoke the authorization at any time by submitting your written revocation to the appropriate Plan Privacy Officer. If you revoke your authorization, the Plan will no longer use or disclose your Protected Medical Information for the reasons covered by your written authorization; however, the Plan will not reverse any uses or disclosures already made in reliance on your prior authorization.

Contact Information

If you have any questions about the matters covered by this notice, please contact the appropriate persons below. You may wish to review the Questions and Answers following this notice before doing so.

For All Plans Other Than EAP:

Plan Privacy Officer
Eastman Kodak Company
343 State Street
Rochester, New York 14650-1143
585-724-4800

For EAP:

Plan Privacy Officer
Eastman Kodak Company
1669 Lake Avenue
Rochester, New York 14652-4702
585-588-2208

For information about contacting a business associate, call the Kodak Benefits Center at 585-724-1000 or 1-800-221-6543.

HIPAA Privacy Notice

Questions and Answers

Q: Can an employee, retiree, LTD recipient or survivor (that is, the “record holder”) request or discuss Plan information regarding his or her covered dependents?

A: A record holder can contact the Kodak Benefits Center, without authorization from their dependents, to verify dependent coverage issues relating to a Plan such as type of coverage, level of coverage and which dependents are covered. A record holder also does not need authorization from his or her dependents to change dependent data previously given to Kodak (such as names, birth dates and Social Security numbers).

The Kodak Benefits Center will not discuss with the record holder any other issues regarding Protected Medical Information (for example, claim issues) about a covered adult dependent unless the adult dependent either (a) provides the Plan with written authorization specifically permitting this use and/or disclosure or (b) formally designates the record holder as his or her personal representative, for example, by executing a power of attorney (“POA”) that covers health care decisions.

An “adult dependent” is the record holder’s spouse, domestic partner, adult child, or emancipated minor (defined below).

Q: Can a spouse or domestic partner of a record holder call the Kodak Benefits Center to enroll in a Plan, make a status change election or make address, telephone number or dependent data changes? To resolve claim issues relating to covered persons other than the spouse or domestic partner?

A: Only the record holder can contact the Kodak Benefits Center to enroll in a Plan, make status change elections or make address, telephone number or dependent data changes.

A spouse or domestic partner can contact the Kodak Benefits Center, without authorization from the record holder or other covered dependents, to verify coverage issues relating to a Plan such as type of coverage and level of coverage.

The Kodak Benefits Center will not discuss with a spouse or domestic partner any other issues regarding Protected Medical Information (for example, claim issues or questions related to specific dependent data) about the record holder or a covered adult dependent unless the record holder or adult dependent (defined above) either (a) provides the Plan with written authorization specifically permitting this use and/or disclosure or (b) formally designates the spouse or domestic partner as his or her personal representative, for example, by executing a power of attorney (“POA”) that covers health care decisions (for health-specific issues) or financial matters of the record holder (for open enrollment or status change elections).



DESIGN REQUIREMENTS FOR PRIVACY NOTICE HIGHLIGHTS

STYLE AND GENERAL FORMAT

1. The Notice Highlights must consist of 5 boxes – Scope, Personal Information, Uses, Your Choices, and How To Contact Us. Important information is a sixth, but optional box. For a description of what information should be included in each box, see the User’s Guide.
2. The first three boxes must be in a top-down sequence – Scope, Personal Information and Use. They should only be as large as necessary to accommodate the needed text.
3. The last three boxes can be stacked as follows: Your Choices, How To Contact Us, and optionally Important Information. Or these boxes can be arranged two up in whatever configuration works best with the size requirements for each one.
4. The boxes should be outlined in some form, either with defined lines or with shaded colors. Headings should be differentiated from text. Background should be coordinated with the format for the rest of the printed piece or website.
5. Box headings may sit atop the box or be positioned to the left of the box based on what works best with the design of the rest of the piece or website.
6. The title, “Privacy Notice Highlights” may be positioned above the Scope box or beside it based on the best use of space.
7. Text in the Personal Information, Uses and Your Choices boxes may be rather lengthy and a two-column format may be used to improve readability.
8. For boxes with lists of information, bullets should be used to help clarify multiple points.

FORMAT, TYPEFACE AND COLOR REQUIREMENTS

1. Non-standard typeface such as Pepita MP, Snap ITC, or Edwardian Scripts ITC may not be used in the Privacy Notice. If the printed piece or website containing

- 
2. the Notice uses one of these non-standard typefaces, one of the following typefaces should be used: Helvetica, GillSans MT, Arial, or Garamond.
 3. Minimum type size for text within the boxes is 8 point.
 4. Headings must remain standard as described in the User's Guide – there can be no deviation. Minimum type size for heading should be 10 points, bold and or extra bold and should be larger than the text contained in the boxes.
 5. Colors should coordinate with the colors of the printed piece or website, but there should be no more than 3 colors used in the notice.

ONLINE REQUIREMENTS

1. The short notice should be the first thing that the consumer sees when they click on a link to a company's privacy policy.
2. The notice should have links embedded in it to various sections of the full privacy policy.
 - a. A link should be provided from the short notice to the beginning of the full privacy policy.
 - b. A link should be provided from the Your Choices and How to Reach Us sections to the appropriate sections of the full privacy policy.
 - c. Links may be provided to other sections if the full policy is organized in a manner than lends itself to that.

Q: What is an “emancipated minor”?

A: Generally, an “emancipated minor” is a child who is under the age of adulthood for the State in which he or she resides and:

- is married or in the armed services,
- is not in the care and control of his or her parents, or
- has previously been emancipated by court proceedings initiated by his or her parents or the State.

Q: Where should I send my POA with health care decision-making authority?

A: If you want your POA on file with the Plan, please send it to the following address along with a cover letter that indicates the designee’s Social Security Number, address and phone number:

Kodak Benefits Center
Eastman Kodak Company
343 State Street
Rochester, New York 14650-1112

Q: If I request to inspect or copy my Protected Medical Information kept on-site at Kodak, what documents will I receive?

A: You will receive your Plan “designated record set” kept on-site at Kodak. This set will only include data regarding your Plan eligibility and coverage, your Plan billing records and records regarding your Plan claims and appeals. Note that, in most cases, your Plan claims and appeals are processed entirely by the business associate, HMO or insurance carrier administering your Plan benefits and are not part of the designated record set kept on-site at Kodak. To obtain the designated record set kept by the business associate, HMO or insurance carrier, you must place a request with the applicable business associate, HMO or insurance carrier as described in the privacy notice.

Q: Can I contact my HR representative regarding a matter involving Protected Medical Information about me or my dependents covered by a Plan?

A: Because of the sensitive nature of Protected Medical Information, an employee should directly contact the Kodak Benefits Center about these matters rather than contacting his or her HR Representative.



Kodak Benefits Center
Eastman Kodak Company
343 State Street
Rochester, New York 14650-1112

PRSR STD
U.S. Postage
PAID
Rochester, N.Y.
Permit No. 6



PRIVACY NOTICE HIGHLIGHTS TEMPLATE: USER'S GUIDE

The Center for Information Policy Leadership at Hunton & Williams and the participants in the Center's Short Notices Program have developed a template for a highlights notice. We developed this Template to provide companies with a model for a privacy notice that simply and concisely highlights the key points of a company's longer, more detailed privacy notice. The short privacy notice is meant to be layered on top of the detailed notice.

BACKGROUND

The complexity of the privacy notices required by the Gramm-Leach-Bliley Act generated significant criticism from the public, the media and the government. Research on risk notices helps explain why Gramm-Leach-Bliley notices generated so much consumer concern. Research shows that individuals have difficulty processing notices that (i) contain more than seven elements, and (ii) require the reader to translate the vocabulary used in the notices into concepts they understand. Individuals become frustrated when confronted with notices that force them to work too hard to understand the content. Consumers often believe that notices are intentionally complex, leaving them with a sense that the companies issuing the notices have something to hide.

Research indicates that privacy notices should be fairly short and written in plain language. In addition, notices should be formatted consistently from company to company, thus fostering both consumer understanding and trust. This simple form of privacy notice often runs counter to the legal requirement that a notice be complete.

The concept of "layered" notices provides a solution to the dilemma of companies wanting to issue short, simple privacy notices, but feeling compelled to issue complex, often legally-compliant notices. A short notice serves as a communication tool to inform consumers about the use of personal information about them. A short notice also helps consumers understand the choices they have with respect to that information. The longer notice, which is layered beneath the highlights notice, contains all the elements required by law or, if not required by law, a more detailed description. The highlights notice developed by participants in the Center's Short Notices Program is formatted in a common template, using language that is consistent from one company to the next. Consumers can easily compare short notices from various companies.

The participants in the Center's Short Notices Program developed a set of common elements by considering what information likely would be most important to consumers. We agreed to limit



the Template to seven or fewer categories. We also agreed to include no more than four statements in any individual category. More detailed information would be contained in the longer notice. We developed a convention on language use using the clearest description possible to describe key concepts. We tried to ensure that the vocabulary used in the Template would not require a reader to translate any word or phrase into one that would be more easily understood.

We offer this Template User's Guide to assist companies in preparing their own short notices using the Template's general format.

EXPLANATION OF THE CATEGORIES IN THE NOTICE HIGHLIGHTS TEMPLATE

SCOPE The first category, focusing on the scope of the privacy notice, describes who and what is covered by the notice. A company would indicate here whether the notice applies (i) only to the individual entity, (ii) to the entire family of companies operating under the same corporate name, (iii) to the entire family of companies operating under various corporate names, or (iv) only to a brand-specific program. The company might indicate in the "Scope" box, for example, that the notice applies only to the company's online practices. If the notice applies to all the company's privacy practices, the company might choose to omit any information as to the specific media covered.

PERSONAL INFORMATION The purpose of this category is to indicate to consumers the types of personal information a company collects and from whom. We intend that companies will discuss collection practices that might not necessarily be obvious to the consumer. For example, a company might indicate here that it collects (i) data the consumer provides to the company, (ii) data the company obtains as a result of its relationship with the consumer, or (iii) information that others (such as business partners or unrelated third parties) provide to the company about the consumer. We suggest specifically mentioning cookies and other technologies about which consumers typically are more sensitive or about other collection practices that may be less obvious. To ease reader comprehension, we also suggest limiting the number of statements in this box to four or fewer.

USES This category is meant to indicate (i) how the company uses personal information about consumers and (ii) with whom they share the information. This box covers both internal uses of data and disclosure of data to others. Disclosure of data is also known as data "sharing." There are four broad categories of data uses and disclosures: (i) use by the company itself to service and market to the consumer, (ii) use by affiliates of the company providing the notice, (iii) use by both the company issuing the notice and another company to jointly offer a product or service, and (iv) disclosures to another company to provide their own products or services to the consumer. Disclosures to others might include sharing data with affiliated entities, business partners or unrelated third parties. We suggest offering an explanation as to why data is shared



with each type of entity listed in the notice. This category might require more detail in the longer notice that would either accompany the short notice or be available on request. For example, because a company might want to offer different choices with respect to its information-sharing practices, it might be necessary to divide the categories even further in the longer notice. If a company offers multiple preferences, it will need to provide more detail in its description of data recipients.

YOUR CHOICES This box describes the choices a consumer may exercise with respect to the company's uses or disclosures of personal information it receives about the consumer. It also describes the means by which a consumer may exercise those choices. A company would indicate here whether there is an opportunity to opt in or opt out of a particular use or disclosure. The company would describe the choices offered to a consumer, listing multiple preferences if appropriate. The company should limit its list of choices in the short notice to those it believes are most important to the consumer.

The following are examples a company might choose to include in this category:

- “We offer you preferences at the point at which we collect the personal information.”
- “We offer you the opportunity to opt out of our sharing information about you with third parties.”
- “If you choose to use this website, you will not have an opportunity to opt out.” (This may be appropriate, for example, in connection with a co-branded website.)

With respect to particularly sensitive information, a company may choose instead to discuss preferences relating to that information in the “Important Information” category. In addition, a company offering a broad range of options might choose to use the shorter notice only to refer readers interested in exercising their options to the longer notice or to the company's contacts so they may indicate their preferences.

IMPORTANT INFORMATION The “Important Information” category is an optional section. It is intended for special messages that are important to the company. For example, if a company's privacy notice is reviewed and enforced by a privacy seal program, this box would be an appropriate place to indicate that fact. A company also might choose to indicate in this box information on data retention periods or contact frequency. Another company might indicate that it maintains information only until it completes a particular consumer's transaction. A company might state here that it does not share information about goods purchased from the company. A company also might choose to indicate here supplemental information that is required by law or a relevant self-regulatory code. In addition, if a company that collects both financial and health data does not disclose its health data to any other entity, it could indicate that fact here.



HOW TO REACH US The purpose of this box is to provide contact information for consumers to seek additional information about a company's privacy policy or to provide comments. The contact information should be defined vis-à-vis the "Scope" section. In addition, the method of contact should be related to the particular media in which the notice appears. If the notice is provided online, the company should provide an e-mail address. If the notice is provided offline, the company should list its postal address and telephone number. Because consumer acceptance of a short notice template will depend largely on whether the template provides clear and simple company contact information, we suggest that companies provide at least two means of contact

(for example, a toll-free telephone number and an email address). An offline company should provide at least one method of contact that is not web-based.

USE OF THE TEMPLATE

The Center for Information Policy Leadership at Hunton & Williams owns the copyright to the Privacy Notice Highlights Template. The purpose of the Template is to make it easy for consumers to understand at a glance at how organizations manage information and to be able to compare the information management practices of different organizations. All companies that wish to do so may use the Template as long as they maintain the Template's design and generally follow these guidelines.

* * *

If you have any questions about the Privacy Notice Highlights Template or this User's Guide, please call Marty Abrams (404-888-4274), Peggy Eisenhower (404-888-4128), or Lisa Sotto (212-309-1223).

MBNA Privacy Policy Statement Evaluations

Prepared by: Financial Services Research Practice

June 19, 2003



MARKET RESEARCH

Harris Heritage. Interactive Power.

www.harrisinteractive.com

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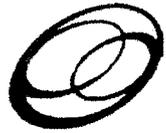


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Executive Summary

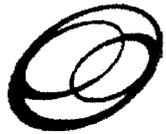


MARKET RESEARCH

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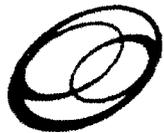
Executive Summary

Privacy Notice/Opt-Out Short Form

MBNA, along with other credit card issuers, is working to develop simpler, plain-English statements of its Privacy Policy to meet federal requirements. To support this goal, MBNA commissioned Harris Interactive to conduct a survey among MBNA NetAccess Customers to assess their perceptions of and preferences between two different short-form Privacy Notice/Opt-Out statements. MBNA's secondary objective was to assess the need for distributing their full Privacy Policy if a short-form version is distributed.

In this study, NetAccess Customers evaluated two short forms through an Internet survey. Reaction to both forms was very positive, and clearly supports MBNA's goal to develop a commercially viable short form/easy opt out approach.

Since MBNA maintains e-mail addresses for NetAccess Customers, that provided a quick and economical method to reach a subset of the MBNA Customer base. As expected, some differences in demographic characteristics were observed. For that reason, weights were developed to bring the NetAccess population in line with MBNA's Customer base. Subsequently, the results are weighted to project the data from the NetAccess Customers to the total MBNA Customer base.



Executive Summary continued

The key findings of the Privacy Notice/Opt-Out Short Form research follow.

- Version M is clearly the preferred form, both overall and among critical sub-groups including those who are employed full time and have higher education levels. Nevertheless, when Customers are given the option to choose which statement they'd like to receive with their credit card statement, both forms have a high degree of appeal with 57% of Customers choosing Version M and 43% choosing Version K.
- Version M is more often seen as being informative. A much higher percentage of Version M supporters (25%) felt that Version M was informative compared to the percentage of Version K supporters who felt that Version K was informative (8%).
- Almost 8 in 10 Customers (77%) agree that both forms:
 - are easy to read;
 - provide sufficient information;
 - clearly state the terms in language they understand.
- Close to 90% feel that no information is missing from either form. Of the few that feel information is missing, most want more detailed information on what information is being shared and with whom.
- A little over 60% state they would no longer wish to receive MBNA's full Privacy Policy if they received an abbreviated version like one of the two they evaluated.

Detailed Findings



MARKET RESEARCH

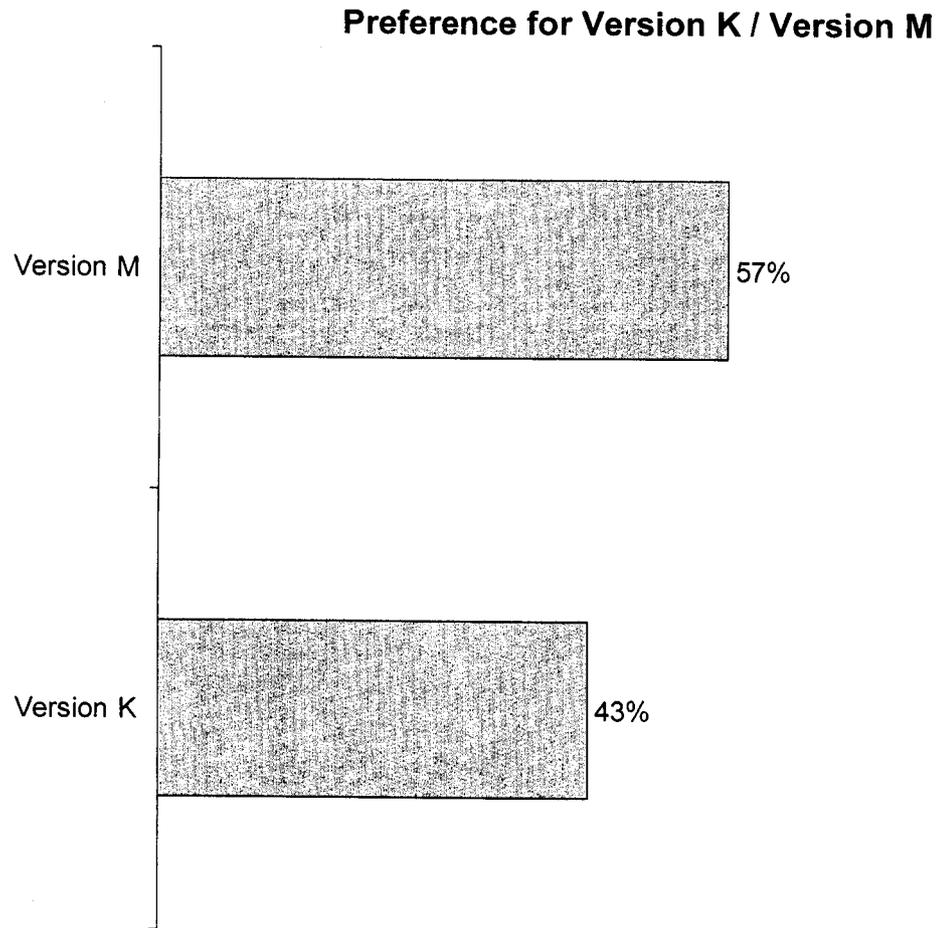
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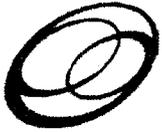
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Almost 3 out of 5 respondents prefer Version M to Version K.

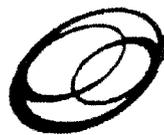


Q600 If you could choose which version MBNA would send you in your next credit card statement, which one would you prefer to receive?
Base: All Respondents (n = 976)



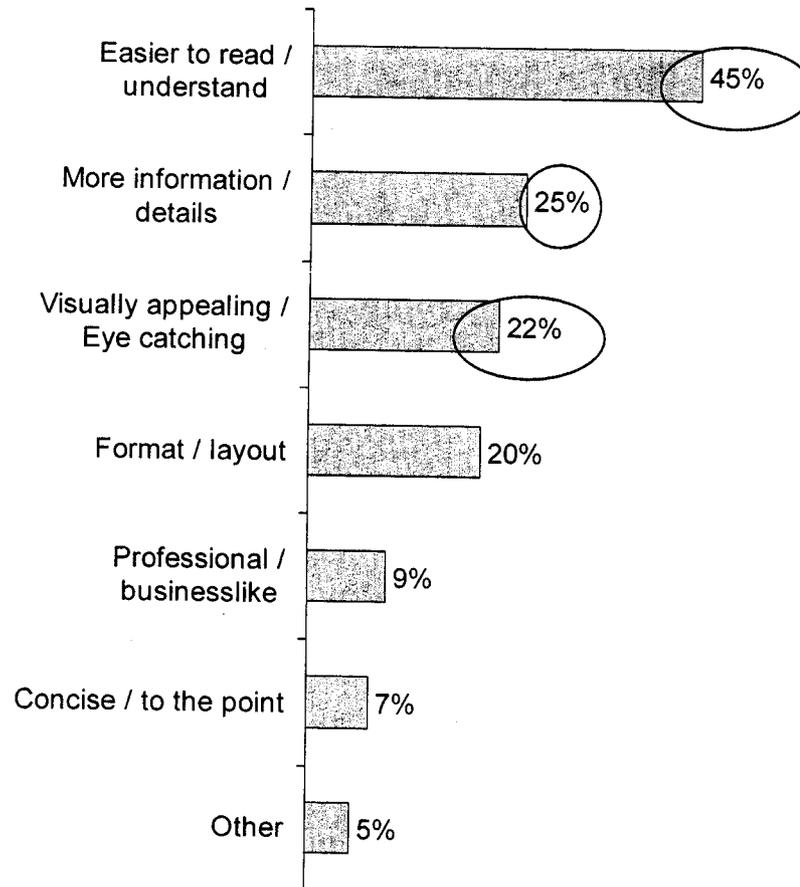
-
- While 57 % of respondents preferred Version M, only 43% preferred version K.
 - Respondents were asked:
 - Why would you prefer to receive Version M?
 - Easier to read/ understand (45%)
 - It had more detailed information (25%)
 - Looked more professional / business like (9%)
 - Why would you prefer to receive Version K?
 - Easier to read/ understand (60%)
 - Bigger Print (9%)
 - Informative (8%)
 - What is it about Version K that caused you to prefer Version M?
 - Not visually appealing/ isn't eye catching (22%)
 - Not enough information given / vague (20%)
 - Looked like an advertisement / not professional (9%)
 - What is it about Version M that cause you to prefer Version K?
 - Not visually appealing / isn't eye catching (15%)
 - Not enough information given / vague (2%)
 - Print is too small (18%)

*For a full set of responses, please see Appendix 1

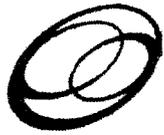


Those who prefer Version M felt it contained more information and details and liked the look of the statement.

Why would you prefer to receive Version M?

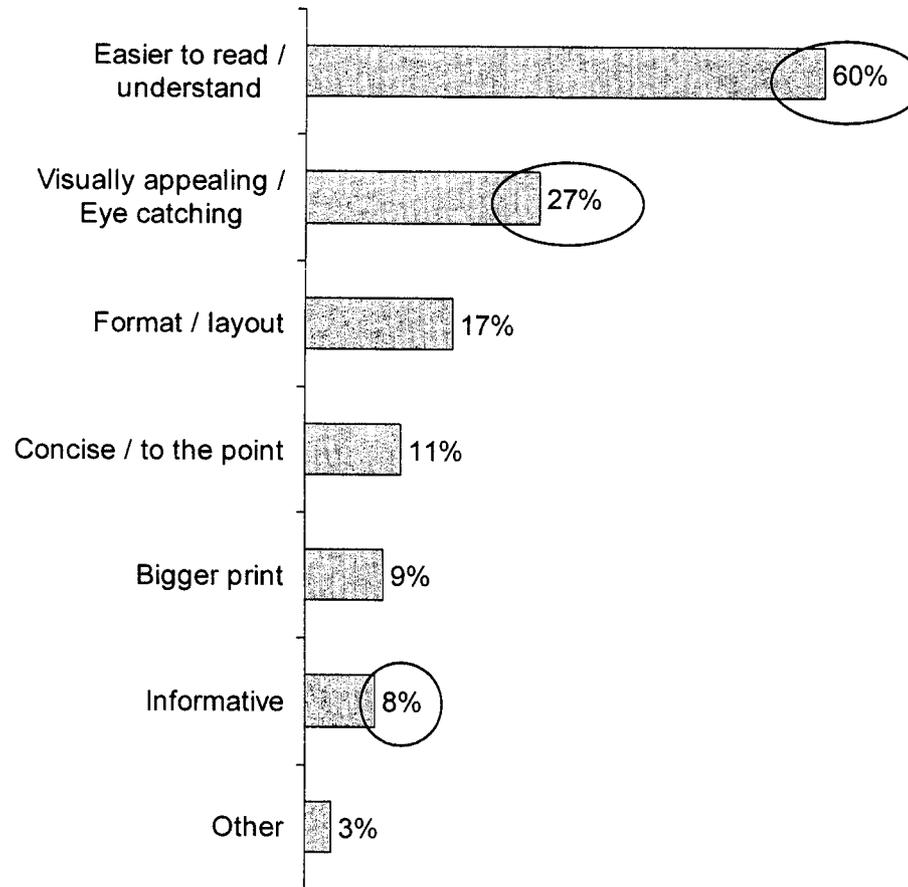


Q610 Why would you prefer to receive Version M?
Base: Prefer Version M (n = 581)



Only 8% of those who prefer Version K said it was informative. Supporters of Version K emphasized the look of the statement over the content, as 60% felt it was easier to read and 27% felt it was visually appealing.

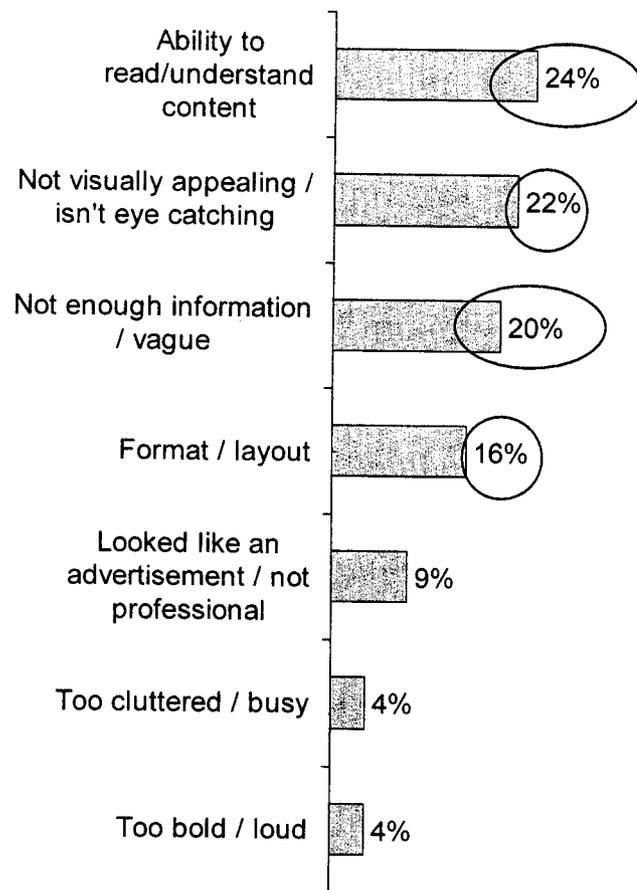
Why would you prefer to receive Version K?



Q605 Why would you prefer to receive Version K?
Base: Prefer Version K (n = 395)

Those who did not like Version K cited both content and format issues.

What is it about Version K that caused you to prefer Version M?



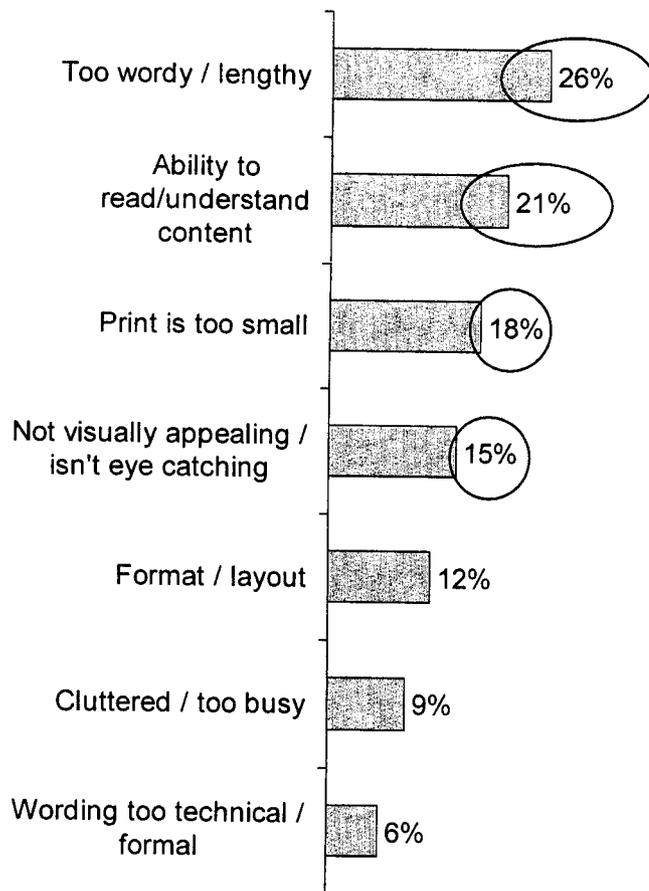
20% of those who did *not* like Version K (i.e. Version M supporters) felt Version K was too vague and offered too little information.

Q611 What is it about Version K that caused you to prefer Version M?
Base: Prefer Version M (n = 581)



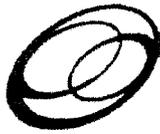
Those who did not like Version M mainly cited its content, but also cited format issues.

What is it about Version M that caused you to prefer Version K?



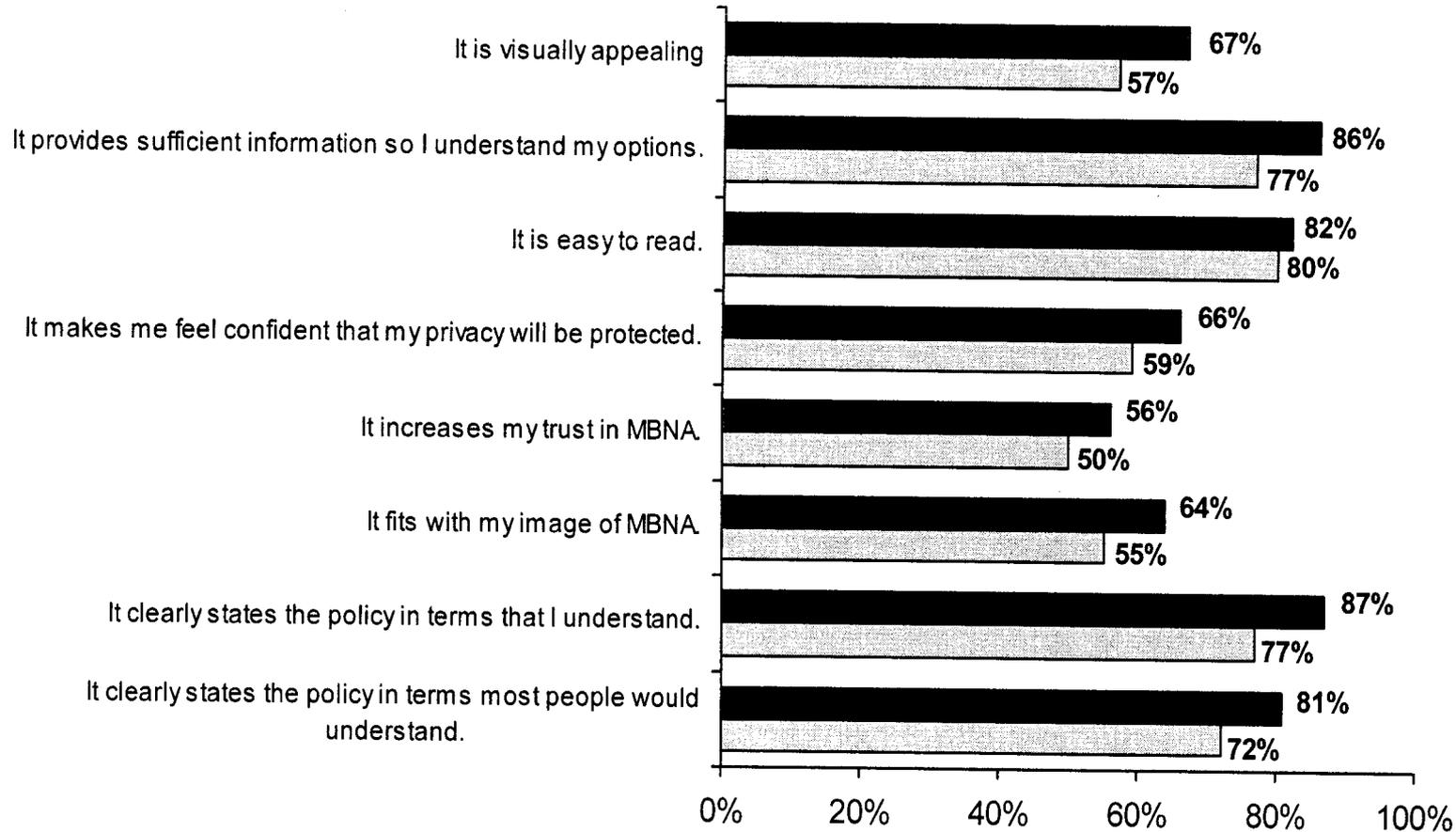
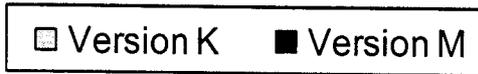
26% of those who did *not* like Version M (i.e. Version K supporters) felt Version M was too lengthy and wordy.

Q606 What is it about Version M that caused you to prefer Version K?
Base: Prefer Version K (n = 395)



While Version M is the clearly the preferred form, the majority of Customers feel that both forms are easy to read, provide sufficient information, and are clearly stated in terms they understand.

Agreement with the Following Statements – Top 2 Box

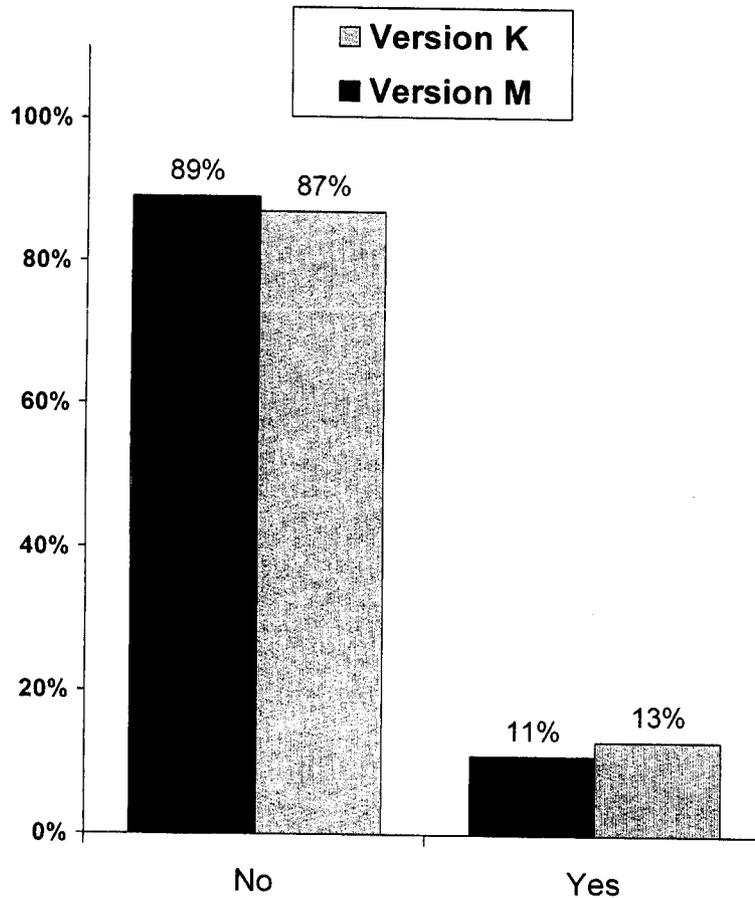


Q415/515 Thinking about Version K/M document, how much do you agree or disagree with each of the following statements? (Scale from 1-5 where: 1=Strongly Disagree, 2=Somewhat Disagree, 3 =Neither Agree nor Disagree 4=Somewhat Agree, 5 =Strongly Agree Base: All respondents (n = 976)



Close to 90% feel that no information is missing from either form. Of the few that feel information is missing, most want more detailed information on what information is being shared, and with whom.

Is Privacy Policy Missing Information?

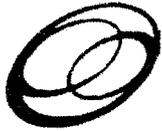


Missing Information

What information that you were looking for is missing from Version K/M?	Missing from Version K (n=130)	Missing from Version M (n=108)
Who are the partners/With whom will the info. be shared	34%	36%
Better ways of opting out of information sharing	18%	25%
What information is shared	15%	13%
How will I be contacted about information sharing	5%	2%
Difficult/ Confusing to read	6%	2%
Have all the information in one place instead of short version	NA	3%
Why is this information collected	NA	2%
Security concerns	NA	3%
Needs more detailed information/Vague	3%	NA
Needs better definitions of terms	10%	NA

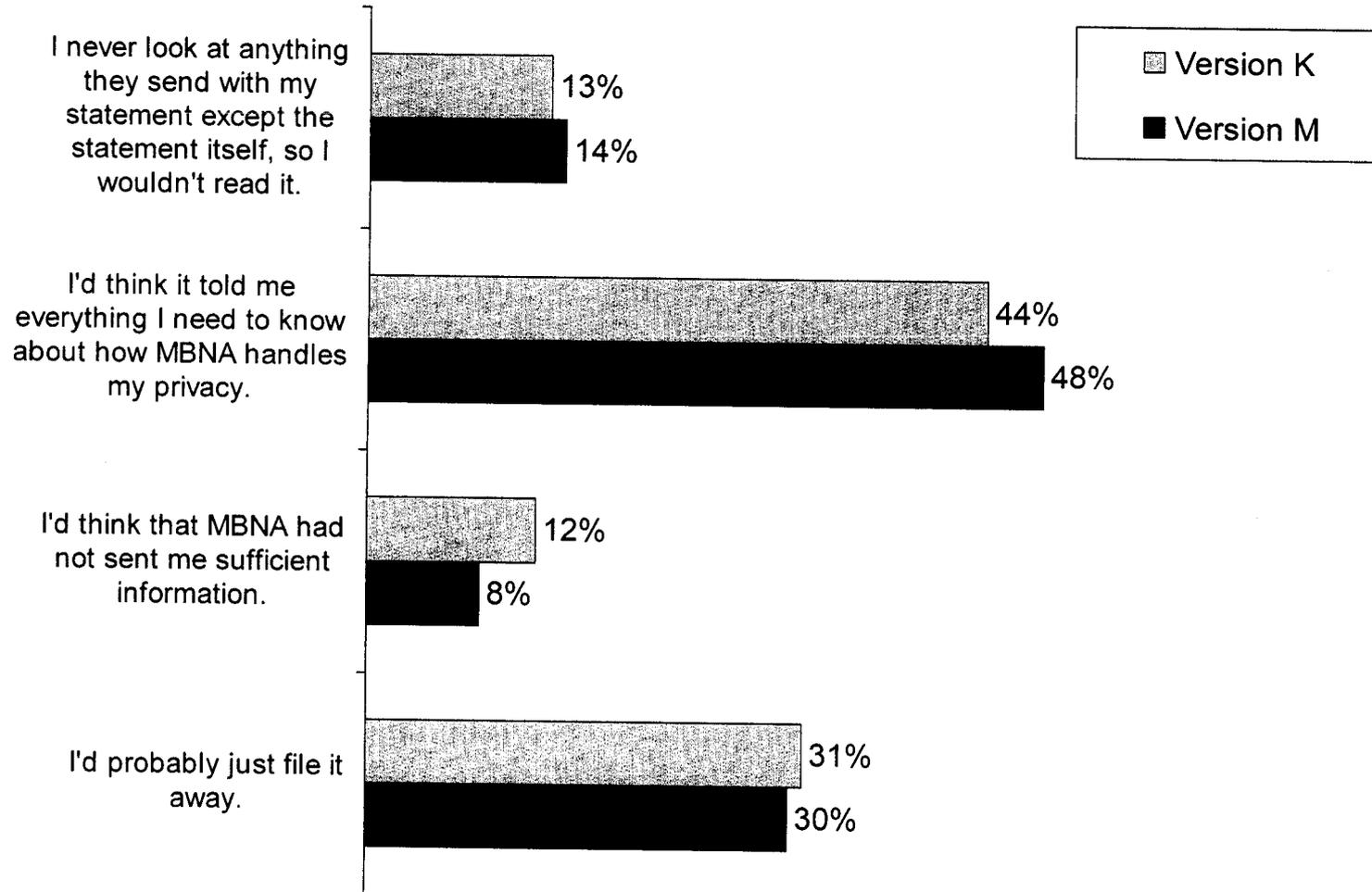
Q420/520 Was there any information about MBNA's Privacy Policy that you were looking for in this document but you were not able to find?
 Base: All Respondents (n = 976)

Q425/525 What information that you were looking for is missing from Version K/M? (n = 976)



Almost half of respondents felt that either form contained everything they needed to know, indicating that they would read the form. Approximately one third state they'd simply file it away, and just over 10% acknowledge they wouldn't even read it.

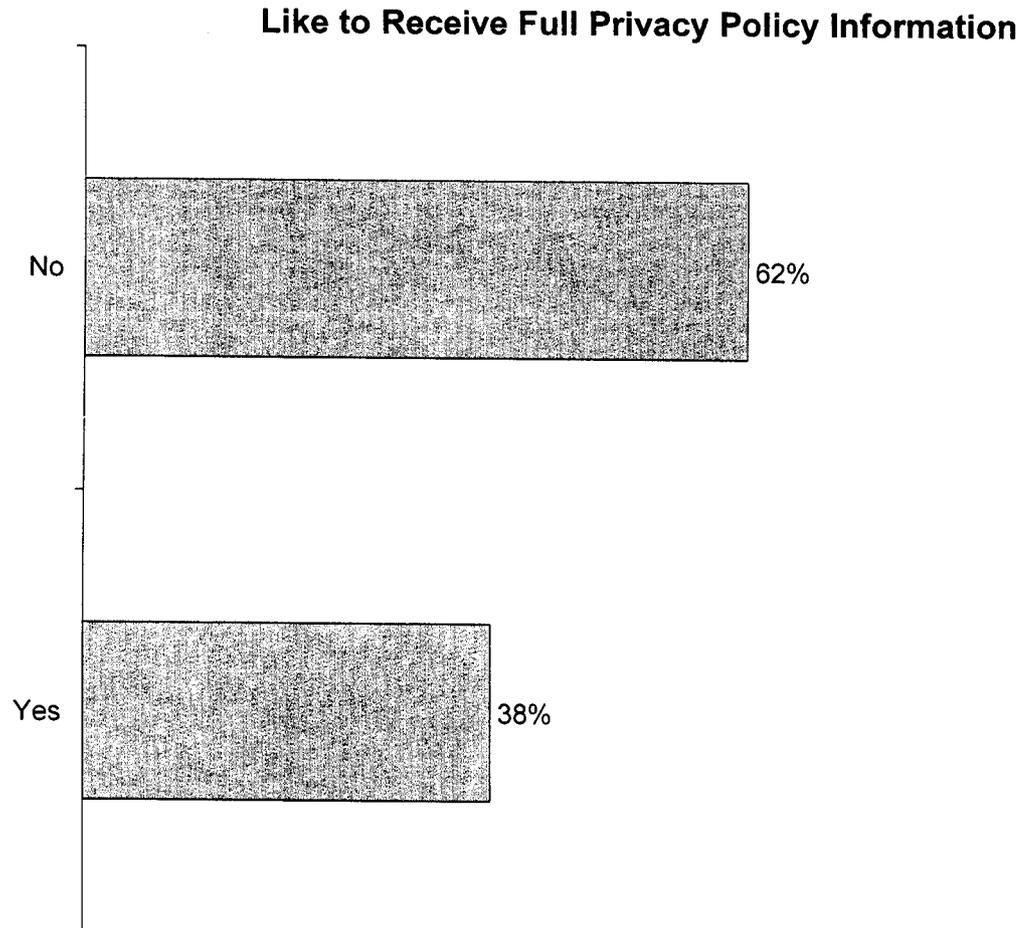
Reaction to Document If Received with Next Statement



Q430/ Q530 Suppose MBNA sent you Version K/M with your next credit card statement. Which of these best describes how you believe you would react?

Base: All respondents (n = 976)

 **Over 60% of respondents don't feel the need to receive MBNA's full privacy policy if they received a short-form version of it.**

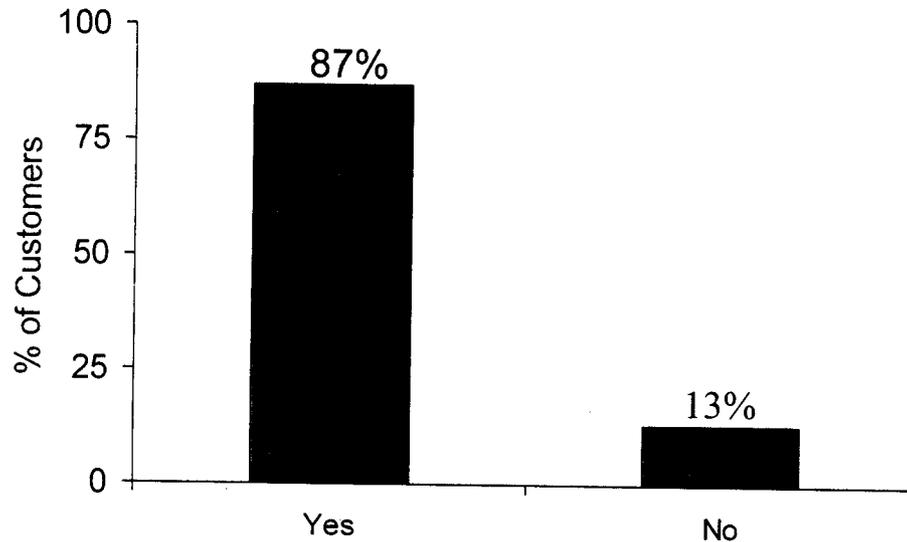


Q615 *If you received a short Privacy Policy statement like one of the two you've reviewed in this survey, would you still want to receive MBNA's full Privacy Policy? Base: All Respondents (n = 976)*



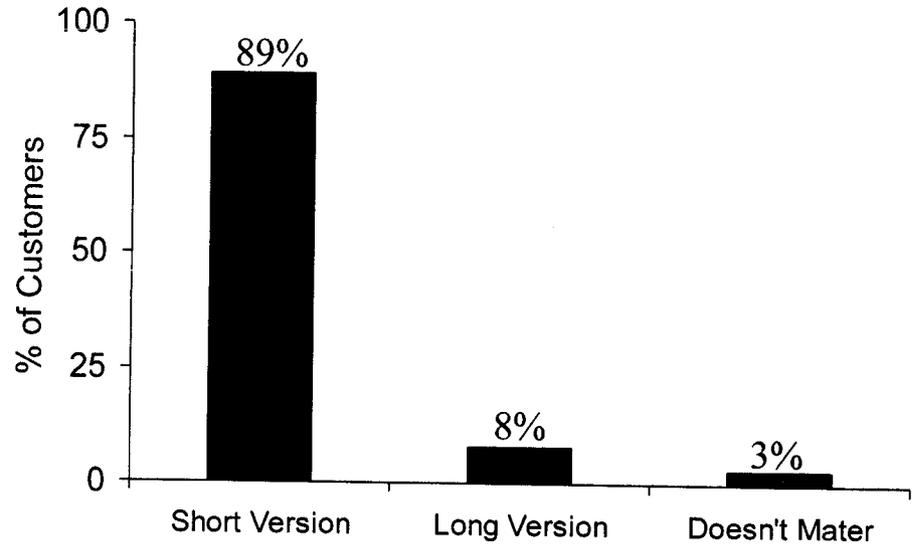
MBNA Customer Results

Awareness of Privacy Notices



"You may have received privacy notification statements in the mail from any of the financial institutions you deal with. Are you familiar with these statements?" (n=246)

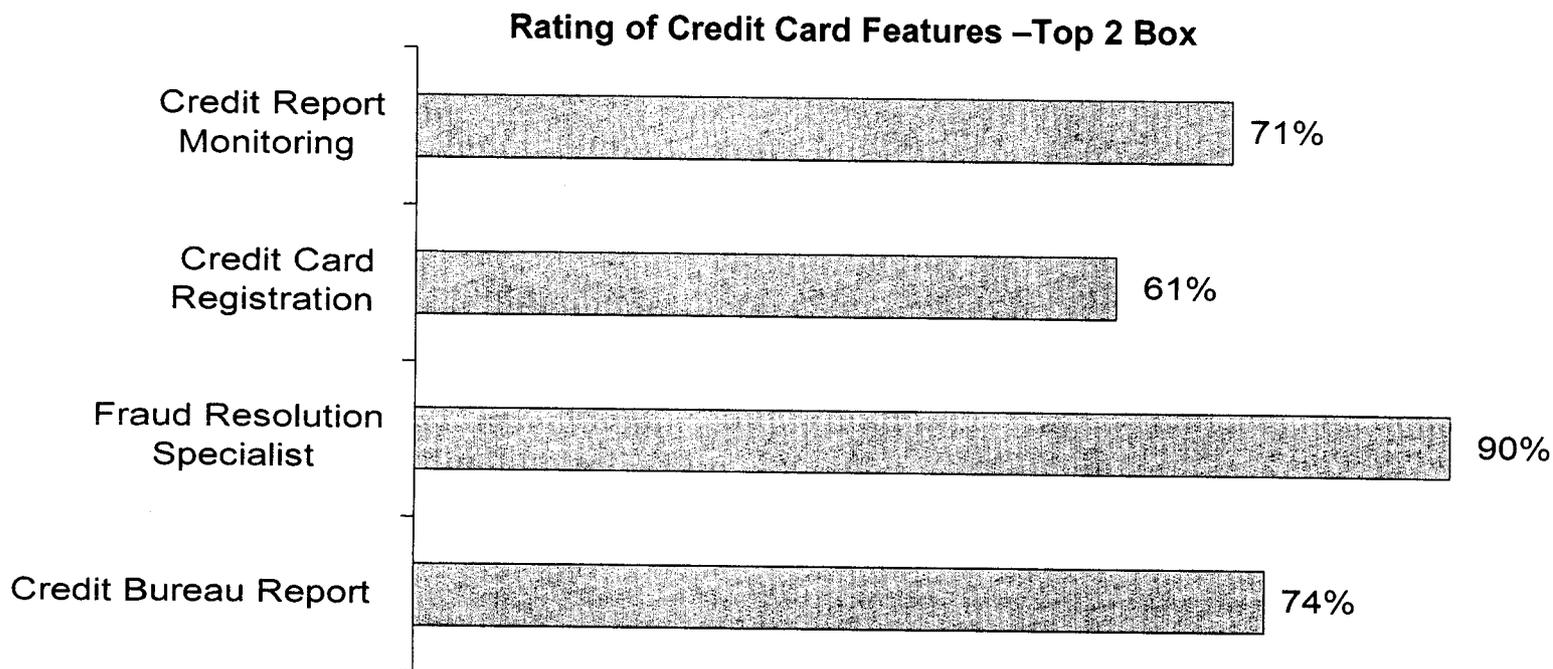
Preference for Additional Notices



"In most cases, privacy notification statements are several pages long. What if a company sent a shortened, one-page description of its privacy policy that covers all the key details, and gave you the option to receive the longer version by request? Would you prefer this type of notification or would you prefer to still receive only the longer version by mail? (n=209)



The Fraud Resolution Specialist (to solve identity theft problems) is the most appealing feature, although all four received support.



Q700 Please use a scale from "1" to "5," where "1" means Has No Value to Me and "5" means Has A Great Deal of Value To Me.
Base: All respondents (n = 976)

- Credit report monitoring, where an industry leader in identity theft and fraud prevention would review your credit report every business day. In the event of any significant change on your credit report, you would be notified promptly so that you could review the change and detect any fraud to take appropriate action.
- Credit card registration, where you could register all of your credit cards with one central service, and in the event that any of your cards were lost or stolen, you would have to make only one call to have them reported to credit card companies and get replacement cards.
- A fraud resolution specialist, who in the event that you experience fraud or identity theft, would help you to work with all three credit bureaus to quickly clear your credit record.
- A credit bureau report that would be sent to you free of charge every quarter so that you could review your credit history on a regular basis.

Demographics

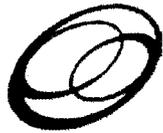


MARKET RESEARCH

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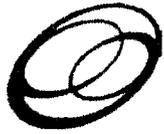
Respondent Demographics Used for Weighting – 2002 Profile Study and weighted / unweighted Privacy Study.

Household Income	Total Base	Total Base	Total Base
	Customer Profile Study	Privacy Study (unweighted)	Privacy Study (weighted)
Sample Size	11,409	866	866
<\$15,000	5%	3%	4%
\$15,000-\$24,999	8%	4%	7%
\$25,000-\$34,999	11%	9%	11%
\$35,000-\$49,999	15%	13%	15%
\$50,000-\$74,999	26%	23%	27%
\$75,000-\$99,999	16%	22%	17%
\$100,000-\$124,999	9%	13%	10%
\$125,000-\$149,999	4%	6%	4%
\$150,000-\$199,999	3%	5%	3%
\$200,000-\$249,999	1%	2%	1%
\$250,000+	2%	2%	1%

Home Ownership	Total Base	Total Base	Total Base
	Customer Profile Study	Privacy Study	Privacy Study (weighted)
Sample Size	11,409	976	976
Own	83%	75%	82%
Rent	15%	18%	15%
Other	2%	7%	2%

Gender	Total Base	Total Base	Total Base
	Customer Profile Study	Privacy Study (unweighted)	Privacy Study (weighted)
Sample Size	11,409	976	976
Male	50%	52%	51%
Female	50%	48%	49%

Employment Status	Total Base	Total Base	Total Base
	Customer Profile Study	Privacy Study (unweighted)	Privacy Study (weighted)
Sample Size	11,409	976	976
Full-time employed	63%	67%	64%
Part-time employed	7%	7%	7%
Homemaker	4%	5%	4%
Retired	19%	13%	18%
Student	2%	6%	2%
Not employed	5%	2%	5%



Respondent Demographics Used for Weighting – 2002 Profile Study and weighted / unweighted Privacy Study.

Age	Total Base	Total Base	Total Base
	Customer Profile Study	Privacy Study (unweighted)	Privacy Study (weighted)
Sample Size	11,298	976	976
18-24 years	4%	9%	4%
25-29 years	6%	11%	6%
30-39 years	16%	19%	16%
40-49 years	25%	23%	25%
50-59 years	24%	23%	24%
60-69 years	15%	10%	14%
70-79 years	8%	4%	9%
80 or older	3%	0%	1%

Education	Total Base	Total Base	Total Base
	Customer Profile Study	Privacy Study (unweighted)	Privacy Study (weighted)
Sample Size	11,404	976	976
High School or less	21%	7%	20%
Associate's Degree	6%	9%	6%
Some College	17%	21%	17%
College Graduate	31%	27%	33%
Some Graduate School	3%	9%	6%
Completed Graduate School	21%	26%	19%

Appendix 1

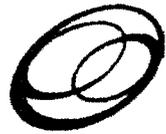


MARKET RESEARCH

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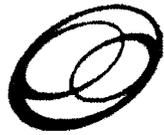
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Methodology, cont'd.

- MBNA provided graphics files for display within the online survey.
 - Graphics were enlarged by Harris Interactive to ensure that they were easy to read on screen.
 - Respondents were able to view the Privacy Notice/Opt Out statements at any time during the survey by clicking on appropriate links.
- Respondents were randomly assigned to view one of the two Privacy Notice/Opt Out statements first. All respondents rated both versions.
 - The statements were given code names of Version K and Version M.
 - 486 (50%) saw Version K first; 490 (50%) saw Version M first.
- The two versions are shown on the following two slides.



INFORMATION SHARING FACTS

MBNA Corporation

U.S. Deposit, Credit Card, Consumer Finance,
and Credit Protection Products for Consumers

**Information MBNA Collects
to deliver top quality
service you expect:**

- Consumer identification information
- Transaction and repayment information
- Credit eligibility information

**Information Shared within
MBNA and with its partners
to offer special products
and services, exclusive
discounts, and other
promotions:**

- Consumer identification information
- Transaction and repayment information
- Credit eligibility information

**Information sharing
choices available to you:**

- Continue receiving information on special products and offers
- Prohibit sharing of credit eligibility information within MBNA
- Prohibit sharing of all information with other MBNA partners

To express your information sharing preferences:

Return your completed card to the address on the back of the card. If you have any questions, please call 1-800-XXX-XXXX. You may also visit our website at www.mbnacorp.com. For more information, please visit our website at www.mbnacorp.com.

To obtain the complete information sharing notice:

Please visit our website at www.mbnacorp.com for more information. You may also visit our website at www.mbnacorp.com. For more information, please visit our website at www.mbnacorp.com.

MBNA

Privacy Policy Highlights

DATED: MARCH 2003

THIS NOTICE

This notice describes the privacy policy of MBNA Corporation and all its affiliates, including:

- MBNA America Bank, N.A.
- MBNA America (Delaware), N.A.
- MBNA Technology, Inc.
- MBNA Marketing Systems, Inc.
- MBNA Insurance Agency, Inc.

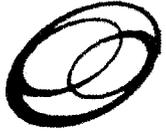
At MBNA, we are committed to providing you with the finest financial products and services backed by consistently top-quality service. And while information about you is fundamental to our ability to do this, we fully recognize the importance of keeping personal and account information secure. Here is a brief overview of MBNA's privacy policy.

- WE COLLECT**
- We collect basic identification information, such as name and address.
 - We collect basic transaction information, such as purchases and payments.
 - We collect credit eligibility information, such as credit reports.

- WE SHARE**
- We share information within MBNA companies to offer you new products and services.
 - We share information with our partners so they can offer you their latest goods and services along with special discounts and selected products and services.

- YOU CAN CHOOSE**
- You can choose to continue to receive information on special products and offers.
 - You can choose not to have us share credit eligibility information within MBNA companies.
 - You can choose not to have us share information with our partners.

- HOW TO OPT OUT**
- For a copy of MBNA's complete privacy policy, call us toll-free at 1-800-xxx-xxxx.
 - To instruct us not to share credit eligibility information within MBNA, call 1-800-xxx-xxxx. We will ask you to verify your identity and your specific accounts or reference numbers. Please have your account, membership, or reference numbers (and for deposit accounts, your SSN or TIN) available when you call.
 - To instruct us not to share information with our partners, call 1-800-xxx-xxxx. We will ask you to verify your identity and your specific accounts or reference numbers. Please have your account, membership, or reference numbers (and for deposit accounts, your SSN or TIN) available when you call.



Appendix 2





Weighting Information

To establish the weights used in this study, information was used from the Demographic Profile study that was conducted by Harris Interactive for MBNA in December 2002. In that study, Harris documented the demographics of MBNA's Customer base by conducting over 11,000 telephone interviews to achieve an overall margin of error of $\pm 1\%$.

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