

HILCO UNITED SERVICES, INC.

CORPORATE POLICY No. 153

SUBJECT: Policy on Privacy and Confidentiality

I. OBJECTIVE

To establish fair information principles for HILCO United Services, Inc., in carrying out its responsibility to respect the privacy and confidentiality of customer information.

II. POLICY

A. Notice

1. HILCO United Services discloses to its customers its policies and practices for the collection, maintenance, use, and disclosure of identifiable information about its customers.
2. HILCO United Services collects and maintains appropriate information about its customers as a routine part of its operations.
3. When providing propane, water, or other services, HILCO United Services collects information from customers, including name, address, telephone number, Social Security number, credit information, and payment and usage history. Usage history may include information on a customer's property, health information, service history, and information maintained for meter reading purposes (e.g., warning about a dog in the yard, etc.).
4. Occasionally, HILCO United Services may survey a sample of its customers to collect information to identify needs or improve service.
5. Other activities by HILCO United Services or its affiliates, either now or in the future, will result in the collection of additional information about a customer's property and activities. This information will be collected and maintained only when and to the extent appropriate to provide the services.
6. This notice describes generally HILCO United Service's privacy and confidentiality policies. The policy is not a formal limitation on the ability of HILCO United Services to use, manage, and disclose its

records as HILCO United Services determines to be necessary, appropriate, or as required by law. It is subject to change without notice.

B. Trust

1. **General Practices:** HILCO United Services maintains information about customers for purposes that are suitable to its operations and management. Information is collected only through lawful and fair means and for appropriate purposes. HILCO United Services is committed to maintaining accurate, complete, timely, relevant, and appropriate information about customers as necessary for the purpose for which the information is to be used.
2. **Access and Correction:** HILCO United Services generally permits its customers to access and seek correction of records about themselves that are used by HILCO United Services to provide service and for billing. Any person who wants to identify personal records maintained by HILCO United Services, access the records, or correct the records should contact HILCO United Services.

C. Security

1. HILCO United Services maintains customer information with technical, administrative, and physical safeguards to protect against loss, unauthorized access, destruction, misuse, modification, and improper disclosure. No record or computer system can ever be fully protected against every possible hazard. HILCO United Services provides reasonable and appropriate security to protect against foreseeable hazards.
2. HILCO United Services requires its employees and, when practicable and appropriate, its affiliates and contractors who have access to identifiable customer information to comply with it. Any employee or contractor who fails to comply with these rules may be subject to disciplinary action up to and including dismissal.

D. Use and Disclosure

1. HILCO United Services uses and discloses identifiable information about customers in defined and responsible ways in order to carry out its operations. This section describes how identifiable information about customers may be used and disclosed.

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2. Records may be disclosed to affiliates or contractors hired by HILCO United Services to assist in carrying out operations, such as service, billing, and management functions including legal, audit, and collection services.
3. Customer information may be disclosed to and shared with commercial and consumer credit reporting agencies for credit-related activities (e.g., the reporting of bad debts).
4. Records may be disclosed to government regulators and other government agencies when authorized or required by law.
5. Records may also be compiled in aggregate form for HILCO United Services management activities.
6. Records may be disclosed when required by law, such as in response to a search warrant, subpoena, or court order. HILCO United Services may use and disclose records for investigations into employee misconduct or for law enforcement investigations related to our business. Disclosures may also be made when appropriate to protect HILCO United Services' legal rights or during emergencies if physical safety is believed to be at risk. These events are unlikely, but they are possible. HILCO United Services will take reasonable steps to limit the scope and consequences of any of these disclosures.
7. Records may be shared with other utilities under shared service agreements or to meet operational requirements.
8. Records about a customer may be disclosed at the request of or with the permission of the customer.
9. In addition, customer information may be shared with affiliates and partners of HILCO United Services that offer products and services to customers.
10. HILCO United Services does not sell, rent, loan, exchange, or otherwise release mailing lists or telephone lists of customers. HILCO United Services does not disclose any information about a customer to nonaffiliated third parties without the prior, written consent of the customer.

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E. Questions and Disputes

1. This policy is maintained and supervised by HILCO United Services. Questions about the policy may be directed to the corporate office at 115 E. Main Street, Itasca, Texas. Any disputes over access, correction, or other matters may also be directed to that office. HILCO United Services will do its best to resolve any questions or problems that arise regarding the use of customer information.

III. Responsibility

- A. The board shall ensure that this policy reflects current practices for personal information about customers.
- B. The General Manager shall ensure that this policy is adhered to.

APPROVED BY THE BOARD OF DIRECTORS



Gerald W. Lemons, President

DATE ADOPTED: October 27, 2005