

## **PRIVACY POLICY/REGULATION S-P FOR DOUGLAS CAPITAL MANAGEMENT, LLC**

**DOUGLAS CAPITAL MANAGEMENT, LLC** (“the Company”) views protecting its customers’ private information as a top priority and, pursuant to the requirements of the Gramm-Leach-Bliley Act (the “GLBA”), the Company has instituted the following policies and procedures to ensure that customer information is kept private and secure.

This policy serves as formal documentation of the Company’s ongoing commitment to the privacy of its customers. All employees will be expected to read, understand, and abide by this policy and to follow all related procedures to uphold the standards of privacy and security set forth by the Company. This Policy, and the related procedures contained herein, is designed to comply with applicable privacy laws, including the GLBA, and to protect nonpublic personal information of the Company’s customers.

In the event of new privacy-related laws or regulations affecting the information practices of the Company, this Privacy Policy will be revised as necessary and any changes will be disseminated and explained to all personnel.

### **Scope of Policy**

This Privacy Policy covers the practices of the Company and applies to all nonpublic personally identifiable information of our current and former customers. If a client decides to close the client's account(s) with the Company or becomes an inactive client, the Company will continue to adhere to its privacy policy and practices with respect to that client as described in this notice.

### **Information Collected**

To conduct regular business the investment adviser may collect non - public personal information about its clients from sources such as:

- Information reported by clients on application or other forms clients provide to the investment adviser.
- Information about clients' transactions with the investment adviser and its affiliates or others.
- Conversations between clients and the firm's representatives.

### **Overview of the Guidelines for Protecting Customer Information**

In Regulation S-P, the Securities and Exchange Commission (the “SEC”) published guidelines, pursuant to section 501(b) of the GLBA, that address the steps a financial institution should take in order to protect customer information. The overall security standards that must be upheld are:

- Ensure the security and confidentiality of customer records and information;
- Protect against any anticipated threats or hazards to the security or integrity of

- customer records and information; and
- Protect against unauthorized access to or use of customer records or information that could result in substantial harm or inconvenience to any customer.

## **Employee Responsibility**

- Each employee has a duty to protect the nonpublic personal information of customers collected by the Company.
- No employee is authorized to disclose or use the nonpublic information of customers on behalf of the Company.
- Each employee has a duty to ensure that nonpublic personal information of the Company's customers is shared only with employees and others in a way that is consistent with the Company's Privacy Notice and the procedures contained in this Policy.
- Each employee has a duty to ensure that access to nonpublic personal information of the Company's customers is limited as provided in the Privacy Notice and this Policy.
- No employee is authorized to sell, on behalf of the Company or otherwise, nonpublic information of the Company's customers.
- Employees with questions concerning the collection and sharing of, or access to, nonpublic personal information of the Company's customers must look to the Company's CCO for guidance.
- Violations of these policies and procedures will be addressed in a manner consistent with other Company disciplinary guidelines.

## **Types of Permitted Disclosures – The Exceptions**

Regulation S-P contains several exceptions, which permit the Company to disclose customer information (the "Exceptions"). For example, the Company is permitted under certain circumstances to provide information to non-affiliated third parties to perform services on the Company's behalf. In addition, there are several "ordinary course" exceptions, which, allow the Company to disclose information that is necessary to effect, administer, or enforce a transaction that a customer has requested or authorized. A more detailed description of these Exceptions is set forth below.

- **Service Providers.** The Company may from time to time have relationships with nonaffiliated third parties that require it to share customer information in order for the third party to carry out services for the Company. These nonaffiliated third parties would typically represent situations where the Company or its employees offer products or services jointly with another financial institution, thereby requiring the Company to disclose customer information to that third party.
- Every nonaffiliated third party that falls under this exception is required to enter into an agreement that will include the confidentiality provisions required by Regulation S-P, which ensure that each such nonaffiliated third party uses and re-discloses customer nonpublic personal information only for the purpose(s) for which it was

originally disclosed.

- **Processing and Servicing Transactions.** The Company may also share information when it is necessary to effect, administer, or enforce a transaction for our customers or pursuant to written customer requests. In this context, “Necessary to effect, administer, or enforce a transaction” means that the disclosure is required, or is a usual, appropriate, or acceptable method:
- To carry out the transaction or the product or service business of which the transaction is a part, and record, service, or maintain the consumer's account in the ordinary course of providing the financial service or financial product;
- To administer or service benefits or claims relating to the transaction or the product or service of which it is a part;
- To provide a confirmation, statement, or other record of the transaction, or information on the status or value of the financial service or financial product to the consumer or the consumer's agent or broker; or
- To accrue or recognize incentives or bonuses associated with the transaction that is provided by the Company or any other party.

### **Sharing as Permitted or Required by Law**

The Company may disclose information to nonaffiliated third parties as required or allowed by law. This may include, for example, disclosures in connection with a subpoena or similar legal process, a fraud investigation, recording of deeds of trust and mortgages in public records, an audit, or examination, or the sale of an account to another financial institution.

The Company has taken the appropriate steps to ensure that it is sharing customer data only within the above noted Exceptions. The Company has achieved this by understanding how the Company shares data with its customers, their agents, service providers, parties related to transactions in the ordinary course or joint marketers.

### **Safeguarding of Client Records and Information**

The Company has implemented internal controls and procedures designed to maintain accurate records concerning customers’ personal information. The Company’s customers have the right to contact the Company if they believe that Company records contain inaccurate, incomplete, or stale information about them. The Company will respond in a timely manner to requests to correct information. To protect this information, The Company maintains appropriate security measures for its computer and information systems, including the use of passwords and firewalls.

Additionally, the Company will use shredding machines, locks and other appropriate physical security measure to safeguard client information stored in paper format. For example, employees

are expected to secure client information in locked cabinets when the office is closed.

The Company protects confidential client information including but not limited to consumer report or any compilation of consumer report information derived from a consumer report by maintaining some information in locked filing cabinets and shredding such information when the information is no longer needed by the Company.

## **Security Standards**

The Company maintains physical, electronic, and procedural safeguards to protect the integrity and confidentiality of customer information. Internally, the Company limits access to customers' nonpublic personal information to those employees who need to know such information in order to provide products and services to customers. All employees are trained to understand and comply with these information principles.

## **Privacy Notice**

The Company has developed a Privacy Notice, as required under Regulation S-P, to be delivered to customers initially and on an annual basis. The notice discloses the Company's information collection and sharing practices and other required information and has been formatted and drafted to be clear and conspicuous. The notice will be revised as necessary any time information practices change. A copy of the Company's Privacy Notice is included at Appendix "D".

## **Privacy Notice Delivery**

Initial Privacy Notice. As regulations require, all new customers receive an initial Privacy Notice at the time when the customer relationship is established, for example on execution of the agreement for services.

Annual Privacy Notice. The GLBA regulations require that disclosure of the Privacy Policy be made on an annual basis. The Company will deliver its annual Privacy Notice in conjunction with the annual offer of its Form ADV Part II.

Revised Privacy Notice. Regulation S-P requires that the Company amend its Privacy Policy and distribute a revised disclosure to customers if there is a change in the Company's collection, sharing, or security practices.

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Every nonaffiliated third party that falls under this exception is required to enter into an agreement that will include the confidentiality provisions required by Regulation S-P, which ensure that each such nonaffiliated third party uses and re-discloses customer nonpublic personal information only for the purpose(s) for which it was originally disclosed.