

Harlequin's Privacy Policy

Effective Date: October 3, 2006

Last Updated: September 12, 2009

Thank you for reading Harlequin's Privacy Policy. As one of the world's leading publishers of women's fiction, Harlequin Enterprises Limited ("Harlequin") is committed to protecting the privacy and confidentiality of personal information entrusted to us.

What Is Personal Information?

As a Canadian publisher, Harlequin is subject to Canada's privacy legislation, the *Personal Information Protection and Electronic Documents Act* ("Act"). This Act covers the collection, use and disclosure of personal information by an organization in the course of any commercial activity. "Personal information" is defined in the Act as "information about an identifiable individual, but does not include the name, title or business address or telephone number of an employee of an organization."

What Is the Scope of This Privacy Policy?

This Privacy Policy addresses our policies and procedures relating to individuals, such as our customers, authors and service providers, like artists, photographers, freelance editors and proofreaders. This Privacy Policy is intended to assist you in understanding Harlequin's policies and procedures relating to our management of personal information and is applicable to Harlequin as a whole, operating under various trade names, and all Web sites owned and operated by Harlequin.

As Harlequin's treatment of customers' personal information necessarily differs from that of its authors and service providers, this Privacy Policy addresses each of these categories separately. Section A is applicable to customers' personal information, while Section B is applicable to personal information of authors and service providers.

SECTION A – PERSONAL INFORMATION OF CUSTOMERS

Personal Information Collected by Harlequin

Harlequin collects personal information that is voluntarily provided by you when you order a product, enter a contest or sweepstakes, answer our polls or surveys, register as a member on our Internet sites, sign up for newsletters, join and use our chat rooms on our Web sites, or communicate with us by mail, telephone or electronically. The type of information we collect and maintain may include your name, mailing address, e-mail address, telephone number, gender, date of birth, purchase history, credit card number, chat room communications, complaints about our products or services, a record of promotions offered to you, and your reading preferences, such as favorite authors and themes. Personal information is collected so that we can serve you better through enhanced products, customer service and promotional efforts of interest to you. This type of information is collected, used and disclosed in

accordance with the form of consent required by the Act and its use is limited to the objectives for which it was collected.

Consent Required by the Act

The Act provides that the form of your consent can vary from implied consent to express consent, depending upon the circumstances and the sensitivity of the type of information collected. Implied consent occurs when we can reasonably conclude that you have given your consent by some action (e.g. by giving us your name and contact information so that we may send the books you have ordered) or inaction (e.g. by not exercising your opt-out privilege). In general, Harlequin will rely on your implied consent to collect, use and disclose identifying information about you, except if such information can be considered sensitive, in which case we will obtain your express opt-in consent to collect, use and disclose this information.

We reserve the right to collect, use and disclose your personal information without consent where required or permitted by law.

Why Does Harlequin Collect Personal Information?

Harlequin collects personal information for the following reasons:

1. To ensure that we have your correct contact information in order to provide you with the products or services you have requested, send correspondence, solicit your opinion on our products and services, process payments and make promotional offers for products similar to the ones you have already ordered and that we believe will be of interest to you;
2. To gain an understanding of your interests so that we can develop better products and services for you;
3. To properly investigate and respond to any complaints about our products or services;
4. To determine customer eligibility for our products and services;
5. To maintain a list of individuals who have indicated to us that they do not want to be contacted by Harlequin or any other companies, so that such requests can be honored;
6. To transfer information (name and mailing address) to other reputable companies who may have a product or service of interest to you, except the information of those customers who indicate to us that they do not wish to be contacted by such companies.

What Kind of Personal Information Does Harlequin Disclose, to Whom and Why?

1. Upon Consent, to Third Parties for Their Marketing Purposes:

With your prior consent, Harlequin does on occasion make your name and mailing address available to reputable third parties who may want to use this personal information for their marketing purposes. Harlequin does not disclose this personal information unless you first consent. Consent is obtained by providing you with an opportunity to opt-out from having this information disclosed to third parties for those purposes. At times, third party marketers may ask us to provide certain information about our

customers relating to purchase history, geography, age range, income range and dwelling type. This type of information is disclosed on an aggregate basis.

Information is shared only with third parties who provide assurances that the information will be used for legitimate business purposes and in a manner that complies with applicable industry guidelines and privacy legislation. For example, when renting lists of our Canadian customers to third party marketers, we require that they comply with the Act and Canadian marketing industry guidelines on privacy. Similarly, when renting lists of our U.S. customers, we require compliance with U.S. marketing industry guidelines on privacy and any privacy legislation.

2. To Third Parties To Perform Processing and Other Specialized Services:

At times, Harlequin may use outside organizations to perform specialized services such as prize fulfillment of our sweepstakes and skill contests, collection of overdue accounts and the provision of various marketing services, including, but not limited to, telemarketing, research and list processing. These service providers are only given the information needed to perform those services and they are bound contractually to protect the privacy and security of your information and to limit the use of your information to the service being provided.

3. To Third Parties in the Event of Legal Reasons:

We advise you that we may have to disclose personal information to the government or other legal or regulatory authorities if so ordered by a court of law or for other legal reasons.

4. To a Third Party in the Event Harlequin Is for Sale or Is Sold:

If Harlequin was ever for sale, prospective buyers would need to have access to Harlequin's customer lists and various databases as part of the due diligence process. In this event, Harlequin would only provide such access under terms of a strict confidentiality agreement.

As well, in the event Harlequin was ever sold, your personal information would be transferred to the purchasing company so that you could continue to receive the books and services you had requested and so that the purposes behind collecting your personal information outlined above could continue to be maintained.

How Long Does Harlequin Retain Personal Information?

We keep your information only for a period reasonably necessary to meet the purposes for which it was collected or to comply with any legal requirements, including statutory retention periods. Then we will erase or make anonymous any personal information that is no longer required for a specific purpose or legal requirement.

What Security Measures Does Harlequin Have in Place To Safeguard Personal Information?

Harlequin has implemented physical, electronic and administrative measures to protect your information from error, loss or unauthorized access. For example, we use industry-standard efforts, such as passwords, firewalls and Secure Socket Layers, to safeguard the confidentiality of your personal information contained on our computer systems. In addition, our employees and any third parties are contractually bound to protect the confidentiality of your information and access is restricted to those with a need to know the information to carry out the identified purpose. In the unlikely event unauthorized access and use of your credit card occurs, Harlequin has a credit card guarantee. If you are using a credit card, your liability for any unauthorized use will usually be limited to \$50.00 by your financial institution or credit card provider. We will reimburse you up to a maximum of \$50.00, provided the fraudulent use of your card was not through your own fault but was a result of purchases made from Harlequin. In this event, you must notify your credit card provider in accordance with their notification requirements and ask them to notify us that you are being held liable.

Cookies and Other Tracking Methods

Cookies are small pieces of information stored on your hard drive, not on our Web sites. We use cookies, or, in a limited number of cases, IP addresses for a number of reasons. First, cookies allow you to store your password without having to constantly reenter it. Second, cookies help us tailor messages that better match your needs and interests. Third, cookies allow us to better understand how users in general use our sites, which in turn helps us to focus our resources on features that are most popular with our users. You are always free to decline our cookies if your browser permits, but some parts of our sites may not work properly if you do.

Note: Harlequin may place advertising and/or links on our sites that originate from outside advertisers. In some cases, if you click on or view these ads, a cookie may be assigned by the advertisers. Harlequin does not control these cookies nor is it responsible for any marketing or other use of your name by the advertisers. We encourage you to investigate and ask questions before disclosing information to third parties.

Nonpersonal Information

Nonpersonal or aggregated information is information that cannot be associated with or traced back to a specific person. When you browse our Web sites, for example, we do not collect any personally identifiable information about you, but we do gather information about the number of people who are viewing each page so that we can learn what features are the most popular.

We also use this data, both aggregated and personally identifiable, to personalize and enhance your onsite experience by displaying content and marketing messages we believe will be of interest to you. We disclose aggregated information about our Web sites to third parties.

In addition, to help us better understand our markets, we may gather demographic information for analytical purposes on an aggregate basis. This information is not kept, used or disclosed at the individual level, but may be disclosed to third parties on an aggregate basis.

Online Policy Regarding Privacy of Children

Harlequin and/or its affiliates operate various Web sites. For those sites which may appeal directly to children under the age of 18, we have online privacy policies available on those sites which address our information practices specific to those sites.

With respect to eHarlequin.com, we do not believe that this Web site appeals directly to children under the age of 18 and we do not knowingly collect information from children under this age. On this Web site, we require that users submit their birth dates when they are joining the site as a member so that no information is collected from users under age 18. Birth date information is never shared with third parties.

Users aged 13 to 17 may only use eHarlequin.com with the involvement of a parent or guardian. If they do not, Harlequin reserves the right to refuse service, terminate accounts, remove or edit content, or cancel orders in its sole discretion. In concert with our efforts, Harlequin urges all parents to supervise their children's exploration of the Internet and any online services, and to teach their children about protecting their personal information online.

Chat Rooms and Bulletin Boards

You should be aware that when you voluntarily disclose personal information on bulletin boards or in chat rooms, that information can be collected and used by others and may result in unsolicited messages from other Internet users. We do not bear any responsibility for any actions or policies of third parties and we cannot guarantee that this personal information will be kept confidential.

Tell-a-Friend E-mails

If you use our referral service to tell a friend about our site or product offering, you will be asked to provide your name, e-mail address and your friend's e-mail address. You may also add any comments to the e-mail message. We use your name and e-mail address only to let your friend know who sent the e-mail. We use the friend's e-mail address for purposes of transmitting your e-mail. We do not collect or retain any of the information provided by you when you use this referral service in our database or any other place and do not use it for any other purpose.

How To Contact Harlequin Regarding Your Personal Information

You have control over how we collect, use and disclose your information and we provide you with many opportunities to exercise this control, both online and offline, even after you have provided your consent to these uses. The methods offered to you depend upon whether the information has been provided to us by offline or online means, as follows:

1. For personal information collected offline:

When we sell our books by mail or in retail stores, our communications provide you with the opportunity to opt out from having your information used for various disclosed purposes.

In addition, you can always contact our Customer Service Department to tell us how you would not like your personal information to be used. Upon request, Harlequin will provide you with access to your personal information. If you need assistance in preparing this request, please contact our Customer Service Representatives as indicated below. We will correct any errors you identify in your personal information.

2. For personal information collected online:

On our eHarlequin.com membership registration page, we provide you with the opportunity to expressly consent to the sharing of your e-mail address with third parties for their marketing purposes. If you are a member of one of our Web sites, you can access and update your online personal information by clicking on the account info link. You can also opt out of Members-Only Deals and third party e-mails by unchecking the boxes at the bottom of the page. You can change your subscriptions to our newsletters at any time by clicking on the profile page link at the bottom of each newsletter. You may choose not to receive e-mail, even after granting permission, by unsubscribing.

Customer Service Department and Chief Privacy Officer Contact Information:

If you have any questions or comments about Harlequin's Privacy Policy or would like to advise us how you would like your personal information not to be used, please contact the Customer Service Department at the address or phone number listed below:

Customer Service Information

Telephone: toll free: 1-800-873-8635 (U.S. and Canada)

Fax: 1-716-684-5066

Mail:

In the U.S.: P.O. Box 9062, Buffalo, NY 14269

Attention: Privacy Customer Service Representative

In Canada: P.O. Box 607, Fort Erie ON L2A 5X3

Attention: Privacy Customer Service Representative

If, after contacting our Customer Service Representatives, your concerns or questions have not been resolved to your satisfaction, you can contact Harlequin's Chief Privacy Officer in writing via mail or fax:

Harlequin Enterprises Limited

225 Duncan Mill Road

Don Mills, Ontario

M3B 3K9

Attention: Chief Privacy Officer

Fax Number: (416) 391-7055

If the issue is still not resolved to your satisfaction, you may file a complaint with the Privacy Commissioner of Canada.

Acceptance of Privacy Policy

This Privacy Policy outlines the information usage practices of Harlequin. By submitting your personal information to Harlequin, you signify your agreement to the terms and conditions of this policy. If you do not agree to this policy, please do not submit your personal information to us. **We reserve the right, at our discretion, to change, modify, add or remove portions of this policy at any time.** If at some point in the future there is a change to our information usage practices that affects your personal information, you will be able to opt out of this information usage by contacting Customer Service. We will also post the changes in our Privacy Policy at least 30 days prior to a change. You should also check this Privacy Policy for changes. Your continued use of our Web sites, products or services following the effective date of any changes to these terms shall mean that you have accepted those changes, subject to your continuing right to notify us at any time as to how you would like us to treat your personal information.

SECTION B – PERSONAL INFORMATION OF AUTHORS AND SERVICE PROVIDERS ACTING AS INDIVIDUALS

Personal Information Collected by Harlequin and Its Purposes:

a) Authors:

As an author under contract with Harlequin or with Harlequin Books S.A., a subsidiary of Harlequin, you are required to provide us with certain information necessary to fulfill the terms of your contract. For example, we need to obtain your name, address, telephone number and other relevant information so that we may communicate with you and make payments to you.

Harlequin also collects sales data information in order to prepare royalty reports and evaluate your performance for each book published by Harlequin and its related and unrelated licensees. In addition, if you are a Canadian or U.S. author and have a contract specifically with Harlequin, we collect your SIN or SSN for tax reporting purposes.

b) Service Providers:

As a service provider under contract with Harlequin, you are required to provide us with certain information necessary to fulfill the terms of your contract. For example, we need to obtain your name, address, telephone number and other relevant information so that we may communicate with you and make payments to you. We also keep information that will help us evaluate the services. In addition, if you are a Canadian or U.S. service provider and have a contract specifically with Harlequin, we collect your SIN or SSN for tax reporting purposes.

Disclosure of Personal Information and Security Measures:

Access to personal information relating to our authors and individual service providers is limited to those within the Harlequin organization, including its subsidiaries and affiliates, and to authorized agents acting on behalf of them, with a need to know in order to accomplish the purposes for which such information was collected. This personal information is never used for marketing purposes, nor is it ever transferred to third parties for their marketing purposes. However, if Harlequin was ever for sale, prospective buyers would need to have access to this personal information and various databases as part of the due diligence process. In this event, Harlequin would only provide such access under terms of a strict confidentiality agreement. As well, in the event Harlequin is ever sold, your personal information would be transferred to the purchasing company so that your contract could continue to be honored and complied with.

Harlequin has implemented physical, electronic and administrative measures, such as passwords, locked filing rooms and confidentiality agreements with its employees, to protect personal information from error, loss or unauthorized access.

Retention of Personal Information:

We keep your information only for a period reasonably necessary to meet the purposes for which it was collected or to comply with any legal requirements, including statutory retention periods. Then we will erase or make anonymous any personal information that is no longer required for a specific purpose or a legal requirement.

Access to Personal Information:

If you are an author or an individual providing services to Harlequin and would like access to your personal information, you may request it by writing to the Business Affairs Department at the following address:

Harlequin Enterprises Limited
225 Duncan Mill Road
Don Mills, Ontario
M3B 3K9

Attention: Business Affairs Department

Fax Number: (416) 391-7055

Harlequin will correct any errors you identify in your personal information. If, after contacting our Business Affairs Department, your concerns or questions have not been resolved to your satisfaction, you can contact Harlequin's Chief Privacy Officer in writing via mail or fax:

Harlequin Enterprises Limited
225 Duncan Mill Road
Don Mills, Ontario
M3B 3K9

Attention: Chief Privacy Officer

Fax Number: (416) 391-7055

If the issue is still not resolved to your satisfaction, you may file a complaint with the Privacy Commissioner of Canada.