

Lugosi Enterprises Privacy Statement

Effective Date: June 1, 2017

Last Updated: June 1, 2017

This Privacy Statement (“Privacy Statement” or “Statement”) explains what personal information we collect from you and how we use it. This Statement applies only to www.belalugosi.com, the website controlled by Bela G. Lugosi Inc. d/b/a Lugosi Enterprises and the websites of its affiliated entities, such as Lugosi Enterprises and Lugosi Wines, which control the websites, www.lugosienterprises.com and www.lugosiwines.com, respectively (collectively, “Lugosi,” “our,” “we,” or “us”) (the “Sites”). This Statement does not pertain to information that is collected offline. We encourage you to periodically review this Privacy Statement to keep up to date on how we are handling your information.

NOTE THAT BY USING THE SITES, YOU CONSENT TO THE TERMS AND CONDITIONS OF THIS PRIVACY STATEMENT AND TO OUR PROCESSING OF YOUR PERSONAL INFORMATION AS STATED BELOW. IF YOU DO NOT AGREE TO THE TERMS AND CONDITIONS OF THIS PRIVACY STATEMENT, PLEASE DO NOT USE OUR SITES.

I. Types of Personal Information We Collect

The types of information we collect from you depends on the services and features you use on Lugosi Sites, and may include:

- **Name and Contact Information:** We may collect your first and last name, e-mail address, postal address, phone number, company, and other similar contact information.
- **Demographic Information:** We may collect information about you such as your age, gender, city, state, and country.
- **Payment Information:** We may collect information necessary to process your orders. This information may include your name, e-mail address, phone number, billing information, shipping information, and payment information, including your credit card number and its expiration date. We may use a third party to process your payment and to handle your payment information. We may also maintain a record of your payments and order history.
- **Usage Information:** We may collect information about how you and your device interacts with our Sites and our related services. This could include features you use, the items you purchase, the web pages you visit, and the search terms you enter. This could also include information about your device and the network you use to connect to our services, including IP address, device identifiers, web browser information, operating system information, date and time of your visits to the Sites, and information about the performance of the services you use on our Sites and any problems you experience with them.
- **Location Information:** We may collect information about your location. This information may help us provide recommendations to you based on your location, serve you with advertisements or direct you to a product or service that we believe may be of interest to you.

- **Content and Other Information You Provide to Us:** We collect additional content and information that you voluntarily provide us, such as content you submit when you contact us via e-mail, telephone, or in person.

You have choices about the information we collect. When you are asked to provide personal information, you may decline. But if you choose not to provide information that is necessary to provide a service, you may not be able to use some features or services.

II. How We Collect Personal Information

We collect personal information through a variety of methods, both online and offline, passively and directly. When you visit Lugosi Sites, for example, with the help of our third party authorized agents, we may collect your personal information as described below:

A. Passive Collection

We may collect information passively, while you are visiting or interacting with our Sites. We call this “passive” collection since you may not know that this information is being collected when you visit or interact with our Sites. This information may consist of the following items: website visitors’ IP address, IP address-related information, system Media Access Control address, network configuration information, network device information, browser plug-in type and versions, and operating system.

- **Cookies and Web Beacons:** We may collect information passively, such as through cookies or web beacons. Cookies or web beacons serve to improve your experience when visiting our Sites. Cookies are small text files placed on your device that uniquely identifies your device and which a website can transfer to a consumer’s hard drive to keep records of his or her visit at a website. Web beacons are small pieces of information that are embedded in images on the pages of websites. We may use cookies or web beacons to improve your experience on our Sites, such as remembering you when you return to our Sites, anonymously track interest in and collect aggregate information on our Sites, and analyze traffic patterns on our Sites. You may set most browsers to notify you if you receive a cookie, or you may choose to block cookies with your browser, but if you do, you may not be able to take advantage of the personalized features enjoyed by other users to our Sites. Some of the cookies we use may be more persistent in nature. These persistent cookies may not be deleted when your cookies are deleted. Please check your browser and browser settings to determine where these types of cookies are stored and whether and how they may be deleted. In any event, if you reject our cookies, you may still use our Sites, but you may be limited in some of the features. We may also work with service providers that use cookies and web beacons to collect information about your visits to our Sites and to other websites you may visit, and to serve advertisements to you across the Internet based on that information.
- **Location Data:** We may also collect your location if you choose to allow us to track your location through our Sites or if your personal information indicates a certain geographic location. This information may help us provide recommendations to you based on your location, serve you with advertisements or direct you to a product or service that we believe may be of interest to you and that is marketed to people near your location.

In order to help facilitate the delivery of relevant content, we may utilize third party data analytics tools to identify how users engage with our Sites and to provide us with information regarding our users.

- **Other Sources:** We may collect your personal information from other sources, such as from our affiliates, public databases, joint marketing partners, and social media platforms. If you connect with us via your social media account, we may also receive your personal information from social media platforms.

B. Direct Collection

We also collect information from you directly, at the time that you supply information to us via Lugosi Sites. This information may be collected in the following instances:

- **Purchases & Refunds:** When you place an order through our Sites, we require that you provide your personal information, such as your name, e-mail address, shipping/billing address, phone number, credit card number and its expiration date in order to process and track your order. We may maintain a record of your transactions with us. We may also require you to provide your personal information to process refunds.
- **Creating an Account:** When you create an account on any of our Sites, we may ask for your full name and e-mail address. We also ask you to create a password to access your account. You are responsible for maintaining the confidentiality of your account and password.
- **Sign-up for E-mails:** You can sign up on our Sites to receive e-mails from us that include the latest information about our company, wines, other products and services, and related news.
- **Social Media Sites/Applications:** If you choose to link a social media account to our Sites, we may request your permission to access certain personal information on these social media sites, such as your name, profile picture, gender, networks, user ID, list of friends, and other profile information.
- **Contact and Feedback:** If you contact us to provide us feedback or ask questions about our Sites or any of our services or products, we may store your communications, including any personal information you include in them, so we can effectively respond to you.

The above list provides examples of how and when we may collect personal information about you from our Sites. If you do not want us to collect your personal information, please do not provide it to us.

III. How We Use Personal Information

We may use the information we collect from you for the following purposes:

- **To Provide & Improve Our Services:** We use the information we collect from you in order to, for example, process orders, refunds, and other related transactions; fulfill a request from you; contact you concerning the status of your order; respond to your questions and comments; diagnose service problems; and to evaluate and resolve problems with our Sites.
- **Communications:** We also use your information to communicate with you about upcoming sales, special events, product information, contests, and other related news, as well as to send you promotional e-mails, surveys, newsletters, or notifications.

- **Advertising, Marketing, and Promotions:** We may use your information for generating web analytics to compile user information for marketing purposes, advertising, conducting marketing analysis, providing you with recommendations for products or services based on your profile, and promotional material planning and distribution.

IV. With Whom & Why We Share Personal Information

We may share or disclose your personal information to the following categories of entities and for the following reasons:

A. To third parties, to fulfill a purchase and other services to you

If you choose to make a purchase on Lugosi Sites, we may need to provide your information to third parties as necessary to complete your payment (for example, to process your payment information). If you e-mail us a question, we may use your e-mail address to process your request and respond to your question. Also, if you are entering a sweepstakes or contest, we may use your personal information in order to fulfill the terms of that promotion. This means that we may share the information for prize fulfillment purposes or mail carriers. We also may share your information with the co-sponsor of that promotion.

B. To affiliates, strategic partners, agents, or other unaffiliated parties who are offering products or services that we believe may be of interest to you or who require your personal information for research, administrative and/or internal business purposes

These parties may use your personal information to contact you with an offer or advertisement related to a product or service, or they may use such information for their own research, administration or business purposes. If you do not want us to share your personal information in this manner, please do not provide us with this information.

C. To unaffiliated third-party service providers, agents or independent contractors for maintaining our Sites and providing other administrative services

We may share personal information with our website hosting partners, and other unaffiliated third parties who assist us in maintaining Lugosi Sites and providing other administrative services to us (including, but not limited to, order processing and fulfillment, providing customer service, maintaining and analyzing information, sending customer communications on Lugosi's behalf, and entry collection, winner selection and prize fulfillment for contests, sweepstakes and other promotions). We seek to ensure that these unaffiliated third parties will not use the personal information for any other purpose than to provide the administrative services for which they are responsible. Because such unaffiliated third-party service providers that help us administer our Sites will have access to users' personal information, if you do not wish for our unaffiliated third-party service providers to have access to your information, please do not register or submit any personal information to us.

D. To law enforcement, government agencies, and other third parties, for complying with the law, enforcing our website policies, or protecting our or others' rights, property, or safety

We may disclose your information to comply with the law or in the good faith belief that such action is necessary in order to conform to the requirements of law or comply with legal process served on us, protect and defend our rights or property, or act in urgent circumstances to protect the personal safety of our customers and employees.

E. To third parties, for any corporate reorganization process including, but not limited to, mergers, acquisitions, and sales of all or substantially all of our assets

We might sell or buy data sets or other assets, which could include information about you. In the event that our organization or substantially all of our assets are acquired by a third party, such information may be one of the transferred assets.

F. To third parties, to track and analyze non-identifying and aggregate usage and volume statistical information from our visitors and customers

We may share with third parties aggregate and non-identifying data sets of your and others' information, so we can track and analyze usage and other statistical information about people's interactions with our Sites.

G. To third parties, for protecting against potential fraud by verifying information collected from these Sites

In the course of such verification, we may receive personal information about you from such services. In particular, if you use a credit card or debit card to purchase services with us, we may use card authorization and fraud screening services to verify that your card information and address matches the information that you supplied to us, and that the card has not been reported as lost or stolen.

V. Publicly Available Personal Information

Please note that any information you include in a message you post to any chat room, forum or other public posting area is available to anyone with Internet access. If you don't want people to know your e-mail address, for example, don't include it in any message you post publicly. PLEASE BE EXTREMELY CAREFUL WHEN DISCLOSING ANY INFORMATION IN CHAT ROOMS, FORUMS, AND OTHER PUBLIC POSTING AREAS. WE ARE NOT RESPONSIBLE FOR THE USE BY OTHERS OF THE INFORMATION THAT YOU DISCLOSE IN CHAT ROOMS, FORUMS, AND OTHER PUBLIC POSTING AREAS.

VI. Accessing and Controlling Your Personal Information

We provide you with an opportunity to access your personal information to ensure it is accurate and current. To edit your personal information, please send a request to info@lugosienterprises.com. We will make reasonable efforts to accommodate your request.

A. Opting Out of Marketing Communications

We communicate via e-mail with users who subscribe to our services on a regular basis. For example, we may use your e-mail address to confirm your request, to send you notice of

payments, to send you information about changes to our products and services, and to send notices and other disclosures as required by law. Generally, users cannot opt-out of these communications, but they will be primarily informational in nature rather than promotional.

However, we provide you the opportunity to exercise an opt-out choice if you do not want to receive other types of communication from us, such as e-mails or updates from us regarding new services and products offered on the Sites or if you do not want us to share your personal information with third parties for marketing reasons. The opt-out choice may be exercised by ticking or un-ticking the appropriate box if such checkbox is available at the points where personal information is collected or by contacting us. We will process your unsubscribe as soon as possible, but please be aware that in some circumstances you may receive a few more messages until the unsubscribe is processed. You also may opt-out of receiving such e-mails by clicking on the “unsubscribe” link within the text of the e-mail.

VII. Children’s Personal Information

Our Sites are not intended for children under the age of 13. We do not knowingly collect personal information from, and none of our Sites are designed to, attract such children. We do not target children under the age of 13. In the event that we learn that a person under the age of 13 has provided personal information to us, we will delete such personal information.

VIII. Third Party Websites

Our Sites contain links to other sites. We are not responsible for the privacy practices or content of such other sites.

IX. Your California Privacy Rights

California Civil Code Section 1798.83 permits our visitors who are California residents to request certain information regarding Lugosi’s disclosure of personal information to third parties for their direct marketing purposes. To make such a request, please contact us at info@lugosienterprises.com.

A. How We Respond to Do-Not-Track Disclosures

We do not support “Do Not Track” browser settings and do not currently participate in any Do Not Track frameworks that would allow us to respond to signals or other mechanisms from you regarding the collection of your personal information.

X. How We Secure Personal Information

We have various security measures in place to protect against the loss, misuse, or alteration of the information you provide us. However, no data transmissions over the Internet can be guaranteed to be 100% secure. Consequently, we cannot ensure or warrant the security of any information you provide us and you understand that any information that you transfer to Lugosi is done at your own risk. Once we receive your personal information, we make reasonable efforts to ensure security on our systems.

If we learn of a security breach involving your personal information, we may attempt to notify you electronically so that you can take appropriate protective steps. By using the Sites or

providing personal information to us you agree that we can communicate with you electronically regarding security, privacy and administrative issues relating to your use of our Sites. We may post a notice on our Sites if a security breach occurs. We may also send an e-mail to you at the e-mail address you have provided to us in these circumstances. Depending on where you live, you may have a legal right to receive notice of a security breach in writing.

XI. International Transfer of Information

If you choose to provide us with personal information, we may transfer that information to our affiliates and subsidiaries or to other third parties, across borders, and from your country or jurisdiction to other countries or jurisdictions around the world. If you are visiting from the European Union or other regions with laws governing data collection and use that may differ from U.S. law, please note that you are transferring your personal information to the United States which does not have the same data protection laws as the EU and by providing your personal information you consent to:

- the use of your personal information for the uses identified above in accordance with this Statement; and
- the transfer of your personal information to the United States as indicated above.

XII. Assignment

In the event that all or part of our assets are sold or acquired by another party, or in the event of a merger, you grant us the right to assign the personal information collected via the Sites.

XIII. Changes to this Privacy Statement

We reserve the right to change this Statement from time to time. When we do, we will also revise the “Effective Date” or “Last Updated” date at the top of this Statement. If we make any material changes to this Privacy Statement, we will notify you by prominently posting a notice of such changes before they take effect or by directly sending you a notification.

XIV. Disputes and Agreement to Arbitrate

By using our Sites, you and we agree that, if there is any controversy, claim, action, or dispute arising out of or related to your use of our Sites, or the breach, enforcement, interpretation, or validity of this Statement or any part of it (“Dispute”), both parties shall first try in good faith to settle such Dispute by providing written notice to the other party describing the facts and circumstances of the Dispute and allowing the receiving party 30 days in which to respond to or settle the Dispute.

Notice shall be sent to:

- (1) Bela G. Lugosi Inc. dba Lugosi Enterprises at:
P.O. Box 121, La Cañada Flintridge, CA 91012 or info@lugosienterprises.com, or
- (2) you at: the contact information on file with us.

Both you and we agree that this dispute resolution procedure is a condition precedent that must be satisfied before initiating any litigation or filing any claim against the other party.

IF ANY DISPUTE CANNOT BE RESOLVED BY THE ABOVE DISPUTE RESOLUTION PROCEDURE, YOU AGREE THAT THE SOLE AND EXCLUSIVE JURISDICTION FOR

SUCH DISPUTE WILL BE DECIDED BY BINDING ARBITRATION ON AN INDIVIDUAL BASIS. ARBITRATION ON AN INDIVIDUAL BASIS MEANS THAT YOU WILL NOT HAVE, AND YOU WAIVE, THE RIGHT FOR A JUDGE OR JURY TO DECIDE YOUR CLAIMS, AND THAT YOU MAY NOT PROCEED IN A CLASS, CONSOLIDATED, OR REPRESENTATIVE CAPACITY. Other rights that you and we would have in court will not be available or will be more limited in arbitration, including discovery and appeal rights. All such Disputes shall be exclusively submitted to JAMS (www.jamsadr.com) for binding arbitration under its rules then in effect in the Los Angeles, California area, before one arbitrator to be mutually agreed upon by both parties.

The arbitrator, and not any federal, state, or local court or agency, shall have exclusive authority to resolve any dispute arising under or relating to the interpretation, applicability, enforceability, or formation of this Statement, including any claim that all or any part of this Statement is void or voidable.

XV. Choice of Law

This Statement has been made in and shall be construed in accordance with the laws of the State of California, without giving effect to any conflict of law principles.

The parties acknowledge that this Statement evidences a transaction involving interstate commerce. Notwithstanding the provision in the preceding paragraph with respect to applicable substantive law, any arbitration conducted pursuant to the terms of this Statement shall be governed by the Federal Arbitration Act (9 U.S.C. §§ 1-16).

XIV. How to Contact Us About This Privacy Statement

If you have any questions about this Statement or our privacy practices, please contact us by e-mail at info@lugosienterprises.com or at the following address:

Bela G. Lugosi, Inc. dba Lugosi Enterprises
Lynne Lugosi Sparks
Chief Operating Officer
P.O. Box 121
La Cañada Flintridge, CA 91012

All information you provide in any written communication will also be covered by this policy.