PRIVACY AND CONFIDENTIALITY POLICY

(Last Updated and Effective as of April 19,2007)

This Privacy and Confidentiality Policy (the "Policy") is an extension of the Company's ("our" or "we") commitment to combine quality products and services with integrity in dealing with home buyers, potential home buyers and other valued customers and partners, and the companies, businesses and organizations they represent ("you"), when you provide Personal Information to us, including by registering at this website (this "Site").

What Personal Information do we collect?

We obtain Personal Information from and about you as you provide it to us, including:

- <u>Personal Information</u>. Some information that identifies you as an individual ("Personal Information") is gathered when you register with this Site, including your demographic information. We also collect Personal Information about you to the extent that you provide it to us online (e.g., by filling out forms on the Site or by submitting such information in an email message) and offline (e.g., by filling out a comment card at one of our locations, or by registering for community amenities). You provide your Personal Information voluntarily.
- <u>Registration/Membership Information</u>. When you register with this Site, you will be asked for certain Personal Information, such as your name, your street mailing address, your e-mail address, your telephone number and other information. In addition to such contact information, we may ask you to enter an ID, password or similar data when you access this Site, so we can verify your right to access certain portions of the Site.
- <u>Demographic</u> and <u>Personal</u> <u>Data</u>. When you register with or access this Site, we may request Personal Information about your business demographics and your home purchasing preferences.
- <u>Sweepstakes</u>, <u>Promotions and Community Activities</u>. We may from time to time offer sweepstakes, promotions, incentive programs, and community activities, in which we may request Personal Information such as your name, e-mail address or telephone number. Your participation in any such sweepstakes, promotion or incentive program will be subject to the official rules of such sweepstakes or the terms and conditions of such promotion or incentive program.
- <u>Referral Information</u>. We might also obtain Personal Information about you provided to us by your friends, including your name and email address. The Site allows visitors to the Site to send information about our Company and its communities to others via email. If you choose to tell a friend about our communities, we will ask you for your friend's name and email address. We endeavor to send to your friend such emails. We may elect not to send the email in certain circumstances in our discretion (e.g., if the email contains inappropriate or inaccurate information or content). We store your friends' Personal Information for the purposes of sending these emails, tracking the success of our referral program and promoting our communities. Your friend may

contact us at <u>info@jarrellinc.com</u> to request that we remove your friend's Personal Information from our database.

How do we use the Personal Information we collect?

Our primary goals in collecting Personal Information from you are (i) to provide you with information about a community such as: phase releases, pricing, amenities, upgrades and enhancements, community events and other information we deem you may find of interest; (ii) to support business purposes we believe are reasonable and consistent with fair business practices; (iii) to notify you if you are a winner of a sweepstakes, or to provide any information regarding any promotion or incentive program, that you have participated in; and (iv) to contact you concerning phased releases, amenities, upgrades, enhancements, community events or activities, services and products for new homes in a community that might be of interest to you. We also use your Personal Information to determine other information that will be delivered to you that may be targeted to your interests, as well as determining what periodic marketing, promotional and other notices to provide to you. You may, at any time, choose to not receive communications from us by "opting out" of specific mailing lists and services by sending an e-mail requesting removal to our Customer Service Department at: info@jarrellinc.com, or by writing us at the mailing address listed below.

How do we share Personal Information?

We may disclose your Personal Information to homebuilders that participate with our communities, to our affiliates (I.E., companies that we own, we are owned by, or we are under common ownership with), and other third parties that may be of interest to you. We may also disclose your Personal Information to third parties as we deem necessary or desirable to provide products and services that you have requested. Your Personal Information may also be disclosed to third parties on an aggregate basis and in a manner that does not reveal the personal identity of you or your business. We may also disclose your Personal Information as we believe is reasonably necessary to comply with law, regulation or other governmental authority. Finally, we may disclose your Personal Information upon a transfer or sale to another entity of **all** or a portion of our stock or assets to which this Policy relates, or upon any other corporate reorganization.

Retention and Protection of Personal Information

Generally, we retain your Personal Information that we collect electronically on our server or in our archives for as long as we reasonably need it. We may alter this practice according to legal and business requirements. For example, we may shorten the retention period for certain Personal Information if needed to free up storage space, and we may lengthen the retention period for other Personal Information if needed to comply with privacy standards or applicable law. We establish and maintain certain practices to help protect the confidentiality, security and integrity of electronic Personal Information stored on our system. Notwithstanding the foregoing, no computer system is completely secure, and while the measures we implement are intended to reduce the likelihood of security problems, there is no warranty or guarantee that our standard security measures will prevent access to your Personal Information.

You may modify or update your Personal Information by sending an e-mail to our Customer Service Department at: info@jarrellinc.com. Data management requests are administered in an orderly manner to the extent feasible and within our direct control.

Other Limits to Your Privacy and Confidentiality

We may disclose Personal Information in special cases when we have reason to believe that disclosing the Personal Information is necessary for us to protect or enforce our legal rights, or when we believe that the law requires it, and for administrative and other purposes we deem necessary to maintain, service and improve our products and services. We operate this Site (including without limitation its registration system) and provide our services in good faith, but on an AS-IS, AS-AVAILABLE basis. ANY WARRANTIES OF ACCURACY, QUALITY, TITLE, FITNESS, MERCHANTABILITY OR NONINFRINGEMENT ARE DISCLAIMED. WE ARE NOT LIABLE FOR DIRECT, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES. UNDER NO CIRCUMSTANCES WILL WE BE LIABLE FOR EVENTS BEYOND OUR DIRECT CONTROL. This Policy is governed by Virginia law, excluding conflicts of law principles. Any provision of this Policy that is illegal or unenforceable shall be deemed automatically conformed to the minimum requirements of law. Any legal actions against us must be commenced in Virginia within one year after the claim arose, or be barred.

Consent and Revisions

By using or accessing our services or this Site, you agree to this Policy. This document supersedes any prior communication on this topic and reflects the entire and exclusive Policy. We reserve the right to revise this Policy from time to time, and will post any revisions on this Site. Additionally, if you provide an e-mail address as part of your registration, we may send an e-mail to such address to inform you of changes to this Policy. Upon publication, the updated Policy will be deemed to replace the prior version of this Policy. We encourage you to review our website regularly for changes. If at any time, you do not agree with the terms in the updated Policy or if you want to be removed from our database, please let us know using the contact information below and we will remove your name and other Personal Information from the database.

Your Questions and Comments.

If you have questions about this Policy or would like to be removed from our database, please send an e-mail to: info@jarrellinc.com or contact us by mail at:

Marketing Manager-Online Marketing Jarrell Properties, Inc. PO Box 127 Spotsylvania, VA 22553 540-582-6353