



## *Fact Sheet*

Compliance Policy  
Division

# Privacy of Consumer Financial Information

## **Purpose**

Financial institutions are required to provide privacy notices that detail their privacy policies and practices to their customers. The notice must include the conditions under which the financial institution may disclose a customer's nonpublic personal information to nonaffiliated third parties and to its affiliated companies.

Customers receive a privacy notice at the time an account relationship is established and annually thereafter. In general, the notice describes:

- The types of nonpublic information the financial institution collects and the types of information it discloses to affiliated and nonaffiliated entities.
- How the financial institution protects the confidentiality and security of its customer's nonpublic personal information.
- Joint marketing arrangements the financial institution may have with other financial companies to share customer information to market other financial products and services.
- That consumers may opt out of some information sharing by instructing a financial institution not to share consumer nonpublic personal information with certain entities. If a financial institution does not share a customer's nonpublic personal information with a nonaffiliated third party for marketing nonfinancial products or services and does not share customers' credit information with its affiliates, the opt-out notices generally will not be contained in the privacy notice.

## **Consumer Benefits**

Consumers may opt out of a financial institution's practice of sharing customer nonpublic personal information with nonaffiliated companies to enable those entities to market nonfinancial products and services.

Consumers may opt out of a financial institution's practice of sharing consumer credit information with one of their affiliated companies.

The privacy rule and other privacy-related regulations contain provisions to safeguard customers' nonpublic personal information and to guard it against fraud and identity theft. One rule in particular governs the proper disposal of customers' information.

## **Where to Get Additional Information**

On March 29, 2007 the agencies published a proposed rule that contains a model privacy notice that will enable consumers to better understand the privacy policies and practices of their financial institutions. The proposed rule and the proposed model notice are attached to OCC Bulletin 2007-13 dated March 29, 2007. It can be accessed at the following Web site: [www.occ.treas.gov/OCC\\_current.htm](http://www.occ.treas.gov/OCC_current.htm)

OCC's Customer Assistance Group - [www.occ.treas.gov/customer.htm](http://www.occ.treas.gov/customer.htm)