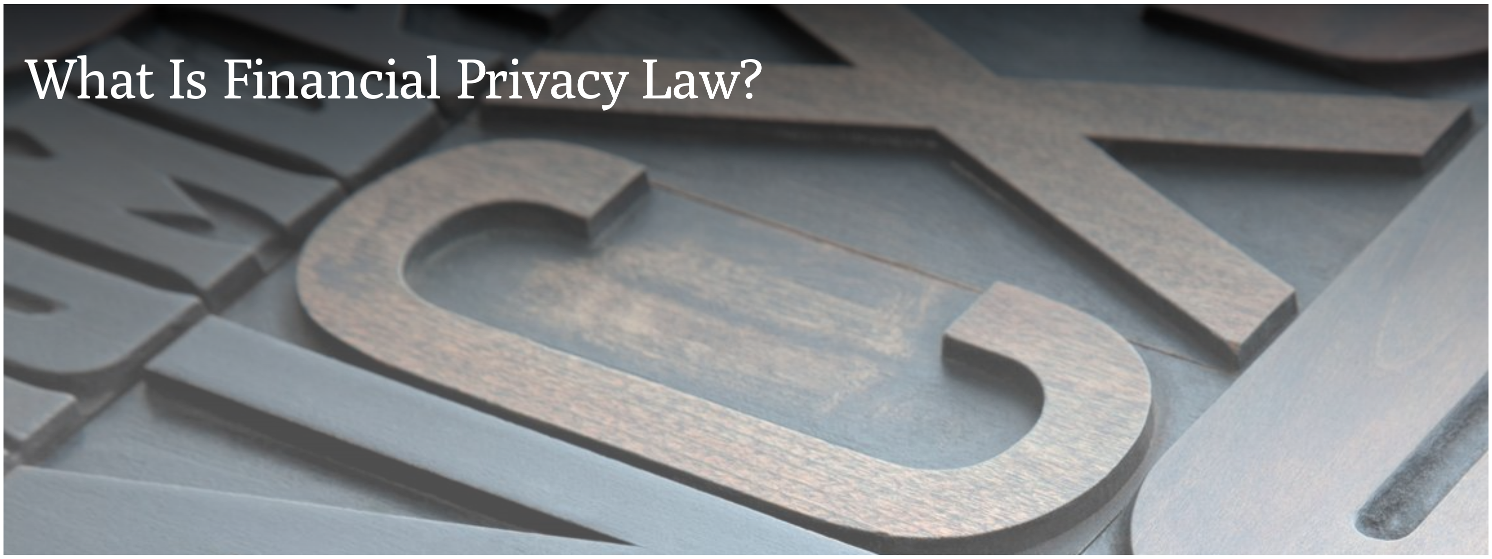
WINSTON & STRAWN LLP

What Is Financial Privacy Law?



Financial Privacy Law

State and federal **financial privacy laws** protect consumers' sensitive information. On the federal level, consumers are allowed to limit the personal information that financial institutions and other businesses share.

The Gramm-Leach-Bliley Act of 1999 established consumers' right to set limits on how their financial information is transferred between parties. This law balances privacy with the requirements of financial institutions to share information during the normal course of business. Consumers can agree to or opt out of having their personal information shared on contact lists.

Gramm-Leach-Bliley requires financial service providers to publish privacy notices about how they use and share personal information. If a consumer does not take action to limit sharing, the financial institution can determine how the information is used. Privacy notices must be accurate and understandable.

Financial privacy regulations cover banks, credit unions, insurance agencies, savings institutions, and securities firms. It may also cover businesses that offer customers credit cards.

Related Capabilities

Privacy: Regulated Personal Information (RPI)