

Voluntary Guidelines for Responsible Use and Protection of Customer

Information

Introduction

The financial services industry has a long history of using customer information responsibly. The industry values the trust customers have that financial institutions will protect their personal financial information. New technologies have dramatically changed the way information is gathered, used and stored, but the importance of preserving customer trust and confidentiality of personal information has remained a core value of the financial services industry.

This special task force has developed these voluntary guidelines that encourage financial institutions to reassess, through self-examination, how they use customer information. In partnership with their customers, financial institutions reaffirm the strong commitment to safeguard personal information and provide high-quality, affordable and innovative products and services.

This task force consisted of representatives from banking institutions of all sizes and from all parts of the country. It included CEOs, privacy experts, representatives of non-bank affiliates, and third party providers. These guidelines express broad concepts to be followed. They are not meant to provide a detailed, legal explanation covering every possibility — for example, the need to provide information in response to a subpoena, to process an insurance claim, or to market an institution's services or provide products jointly with business partners. Nor do the guidelines constitute a privacy policy, which would need to be more detailed, although these guidelines should serve, along with the legal requirements of the Gramm-Leach-Bliley Act, as the basis of an institution's privacy policy.

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Guidelines

1. Financial Institutions Recognize Customers' Expectations for Responsible Use and Protection of Information and Communicate Their Information Practices to Those Customers

Financial institutions recognize and respect the expectations of their customers regarding use of personal information, and provide information to customers on how information about them is used and protected, and the benefits such use provides. Financial institutions provide their customers with their policies on responsible use and safeguarding of information, and provide a means by which customers can learn more about the information practices of their institutions.

2. Preserving Trust is a Core Value

Safeguarding customer information requires standards of conduct for each employee regarding the responsible use and protection of personally identifiable information. Financial institutions educate their employees to respect the importance of maintaining the confidentiality of customer information and take appropriate disciplinary measures to enforce employee responsibilities.

3. Medical Information Will Not Be Shared

Financial institutions recognize that, when consumers provide medical information for a specific purpose, they do not wish it to be used for other purposes, such as for marketing, or in making a credit decision. If a customer provides personal medical information to a financial institution, the financial institution will not disclose the information, unless authorized by the customer.

4. Responsible Use of Information Provides Customer Benefits

Information financial institutions collect provides significant customer benefits. It enables financial institutions to understand customers' financial needs, improve products and services, comply with laws and regulations, provide enhanced customer service, and protect customers against fraud.

5. Financial Institutions Have Procedures Designed to Maintain Accurate Information

Financial institutions have procedures designed to maintain accurate, current and complete customer information. Financial institutions respond in a timely manner to customer requests to correct information.

6. Financial Institutions Help Protect Customers Against Criminal Use of Their Information

Financial institutions help protect customers against, and educate customers about how to protect themselves from, criminal use of their information. Financial institutions use a combination of safeguards to protect customer information, such as employee training, rigorous security standards, encryption and fraud detection. Institutions work with law enforcement officials to pursue individuals who fraudulently use information.

7. Financial Institutions Have Procedures to Prevent Unauthorized Access to Customer Information

Financial institutions maintain security and confidentiality procedures designed to prevent unauthorized access to customer information.

8. Sharing Information Within the Family of Companies Improves Customer Service

Financial institutions share information within their family of companies in order to provide customers with the best possible products and services at reasonable prices, and to prevent fraud and criminal activity. Financial institutions describe the options they make available to customers to provide or restrict information within the family of companies, make it convenient for customers to choose among those options, and honor the choices that are made.

9. Disclosure of Information Outside the Family of Companies is Restricted

If information is provided outside the family of companies for marketing nonfinancial products, financial institutions provide each customer the opportunity to prevent, or opt-out of, the exchange of information. If such information is provided to parties outside the family of companies, financial institutions obligate such parties to adhere to the financial institution's policy that provides for keeping such information confidential, and inform them that it is against the law to disclose such information for any purpose other than that for which it was originally provided.

10. Account Numbers Are Not Provided Outside the Family Of Companies For Marketing Purposes

Financial institutions do not provide account numbers to parties outside the family of companies for marketing purposes.