



Federal Deposit Insurance Corporation
550 17th Street NW, Washington, D.C. 20429-9990

Financial Institution Letter
FIL-60-2010
September 27, 2010

MODEL PRIVACY NOTICE FORM

Compliance Guide

Summary: On December 1, 2009, the FDIC issued amendments to Part 332 of the FDIC's Rules and Regulations which implement the privacy provisions of the Gramm-Leach-Bliley Act (GLBA) and adopted the model privacy notice form. Part 332 requires state nonmember banks to notify consumers of their information-sharing practices and inform consumers of the right to opt out of certain sharing practices. The FDIC now is issuing a compliance guide for state nonmember banks wishing to use the model form to comply with these requirements.

Distribution:

FDIC-Supervised Institutions

Suggested Routing:

Compliance Officer

Related Topics:

Privacy of Consumer Financial Information
12 C.F.R. Part 332

Attachment:

Compliance Guide

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Note:

FDIC financial institution letters (FILs) may be accessed from the FDIC's Web site at <http://www.fdic.gov/news/news/financial/2010/index.html>

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Paper copies of FDIC financial institution letters may be obtained via the FDIC's Public Information Center (1-877-275-3342 or 703-562-2200).

Highlights:

- The model privacy notice form was announced in Financial Institution Letter [65-2009](#): <http://www.fdic.gov/news/news/financial/2009/fil09065.html>.
- Use of the model privacy notice form is voluntary. However, a state nonmember bank that chooses to provide this model form to consumers in a manner consistent with the form's instructions will be deemed to be in compliance with the disclosure requirements for privacy notices under the GLBA and Part 332.
- Currently, the FDIC's Rules and Regulations contain language ("sample clauses") that state nonmember banks may use in their privacy notices and be considered in compliance with the privacy provisions of GLBA.
- These sample clauses and the associated compliance safe harbor will be eliminated from Part 332 following a transition period. Use of the sample clauses will continue to provide a safe harbor only until December 31, 2010.
- To obtain a compliance safe harbor after the sample clauses are removed, state nonmember banks should use the new model privacy notice form which has provided a compliance safe harbor since its effective date of December 31, 2009.
- An online model privacy notice form builder is available at http://www.federalreserve.gov/bankinforeg/privacy_notice_instructions.pdf. State nonmember banks may download and complete this form builder to create a customized privacy notice. The form builder now includes versions enabling customers to opt-out via phone, on-line, or mail. The attached guide provides a brief description of how to use the model privacy notice form.