

MEMORANDUM

To: Subscribers to *Protecting Customer Privacy: Management Process from Policies to Quality Control Checklists*

From: Sheshunoff Information Services

Subject: Highlights

Enclosed is your latest update to *Protecting Customer Privacy: Management Process from Policies to Quality Control Checklists*. This update contains an insert on current privacy guidance and emerging issues.

Chapter 1 has been updated to include the following topics:

- Proposed Identity Theft Enforcement and Restitution Act of 2007 (ITERA)
- Safeguarding NPPI Headlines
- Consumer Advantages from Information Sharing by Financial Services Companies
- Privacy Litigation

In addition, Chapters 2, 3 and 4 have been modified to include appropriate materials for institution management to consider when handling the transportation of confidential/secure data. Sample policies and procedures have been amended when appropriate to address this matter. As there are many risks to improper transportation of sensitive material it is vital that all financial institution staff have the most comprehensive resources at their disposal on this important topic. It is further suggested that staff training also incorporates this significant area.

Chapters 2, 3 and 4 have also been updated pertaining to the FACT Act impact on FCRA and the sharing of data between affiliates. The Fair Credit Reporting Affiliate Marketing Regulations Issuance can also be consulted when additional comprehension on this subject is desired. Financial institutions need to be aware of the FACT Act impact and financial institution management needs to gain a comfort level as to how to manage compliance with this matter. The issuance was released to clarify the final rules that specify that an individual is generally prohibited from using information received from an affiliate to make a solicitation for marketing purposes to a consumer, unless the consumer is given notice and a reasonable opportunity and a simple method to opt out of the making of such solicitations. The quick references contained in this update will be quite handy for a handy course to get up to speed on this important subject matter.

A new section has been developed in Chapter 8 on *Web Aggregation*, which includes an extensive overview and advice on the BITS Voluntary Guidelines for Aggregations Services. Financial institution management can rely on these useful suggestions and guidance from industry experts to increase your own competence on this technical matter. Also, upon the absorption of this material, financial institution management will be able to understand how this process works, including understanding the pros and cons of data aggregation. In addition, there are suggestions for setting up a process that complies with GLBA privacy requirements and financial institution management is urged to consider these tips.