
Joint Release

**Board of Governors of the Federal Reserve System
Federal Deposit Insurance Corporation
Office of the Comptroller of the Currency
Office of Thrift Supervision**

For immediate release

May 10, 2000

**AGENCIES APPROVE FINAL REGULATIONS
FOR PRIVACY OF CONSUMER FINANCIAL INFORMATION**

The Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, and the Office of Thrift Supervision today approved the issuance of final regulations implementing the provisions of the Gramm-Leach-Bliley Act governing the privacy of consumer financial information.

The regulations resulted from an interagency effort. They impose three main requirements established by the Act:

- Financial institutions must provide initial notices to customers about their privacy policies, describing the conditions under which they may disclose nonpublic personal information to nonaffiliated third parties and affiliates. These notices must be accurate, clear, and conspicuous.
- Financial institutions must provide annual notices of their privacy policies to their current customers. These notices must be accurate, clear, and conspicuous.
- Financial institutions must provide a reasonable method for consumers to "opt out" of disclosures to nonaffiliated third parties. That is, consumers must be given a reasonable opportunity to "opt out" and a reasonable means to do so. Consumers may exercise their "opt out" option at any time.
- The regulations, which are identical in all substantive respects, apply to financial institutions for which the agencies have primary supervisory authority. The regulations limit disclosure by financial institutions of "nonpublic personal information" about individuals who obtain financial products or services for personal, family, or household purposes. Subject to certain exceptions allowed by law, the regulations cover information sharing between financial institutions and nonaffiliated third parties.

The regulations are effective November 13, 2000, but in order to provide sufficient time for financial institutions to establish policies and procedures and to put in place systems to implement the requirements of the regulations, the time for full compliance with the regulations is extended until July 1, 2001.

The agencies expect the regulations to be published in the Federal Register within the next two weeks. The published regulations may contain nonsubstantive changes from the versions approved by each agency today.

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