

Privacy Notices and Opting Out – Accessible Version

You've probably been receiving privacy notices from banks and other financial companies. These notices explain:

- What personal financial information the company collects
- Whether the company intends to share your personal financial information with other companies
- What you can do, if the company intends to share your personal financial information, to limit some of that sharing
- How the company protects your personal financial information

Companies that May Send Privacy Notices

Companies involved in financial activities must send their customers privacy notices, including:

- Banks, savings and loans, and credit unions
- Insurance companies
- Securities and commodities brokerage firms
- Retailers that directly issue their own credit cards (such as department stores or gas stations)
- Mortgage brokers
- Automobile dealerships that extend or arrange financing or leasing
- Check cashers and payday lenders
- Financial advisors and credit counseling services
- Sellers of money orders or travelers checks

Financial companies share information for many reasons: to offer you more services, to introduce new products, and to profit from the information they have about you. If you like to know about other products and services, you may want your financial company to share your personal financial information; in this case, you don't need to respond to the privacy notice. If you prefer to limit the promotions you receive or do not want marketers and others to have your personal financial information, you must take some important steps.

First, it is important to read these privacy notices. They explain how the company handles and shares your personal financial information. Keep in mind that not all privacy notices are the same. This guide tells you about the other steps you can take to help protect the privacy of your personal financial information.

What Can You Stop—and What Can't You Stop?

Federal privacy laws give you the right to stop (opt out of) some sharing of your personal financial information. These laws balance your right to privacy with financial companies' need to provide information for normal business purposes. You have the right to opt out of some information sharing with companies that are:

- Part of the same corporate group as your financial company (or affiliates)
- Not part of the same corporate group as your financial company (or non-affiliates).

But you cannot opt out and completely stop the flow of all your personal financial information. The law permits your financial companies to share certain information about you without giving you the right to opt out. Among other things, your financial company can provide to non-affiliates:

- Information about you to firms that help promote and market the company's own products or products offered under a joint agreement between two financial companies
- Records of your transactions—such as your loan payments, credit card or debit card purchases, and checking and savings account statements—to firms that provide data processing and mailing services for your company
- Information about you in response to a court order
- Your payment history on loans and credit cards to credit bureaus

What Opting Out Means

If you opt out, you limit the extent to which the company can provide your personal financial information to non-affiliates.

If you do not opt out within a “reasonable period of time”—generally about 30 days after the company mails the notice—then the company is free to share certain personal financial information.

If you didn’t opt out the first time you received a privacy notice from a financial company, it’s not too late. You can always change your mind and opt out of certain information sharing.

Contact your financial company and ask for instructions on how to opt out. Remember, however, that any personal financial information that was shared before you opted out cannot be retrieved.

Your Right to Opt Out

A privacy notice contains information about the company’s data collection and information sharing policies. If a financial company does not plan to share your information except as permitted by law, the notice will tell you this; in this case, you don’t have a right to opt out.

Non-affiliates. If you have the right to opt out (that is, if the company plans to share your information), the privacy notice will include instructions on how to opt out of sharing some information. Unless you opt out, your financial company can provide your personal financial information (for example, information on the kinds of stores you shop at, how much you borrow, your account balances, or the dollar value of your assets) to non-affiliates for marketing and other purposes.

Affiliates. The privacy notice may also give you the right to opt out of certain information sharing with affiliates. For example, if a company intends to provide an affiliate with personal information from your credit report or loan application, you will usually first be given a chance to opt out. Companies, however, can share information about you with affiliates when the information is based solely on your transactions with that company (transaction information includes whether you pay your bills on time, the type of accounts you have with the company, and so forth). Read your notices carefully to see if this type of opt out applies.

Credit bureaus may also sell information about you to lenders and insurers who use the information to decide whether to send you unsolicited offers of credit or insurance. This is known as prescreening. You can opt out of receiving these prescreened offers by calling 1-888-567-8688.

If you want to opt out of information sharing, you must follow the directions provided by your financial company. For example, you may have to call a toll-free number or fill out a form and return the form to the company.

In some cases, your financial company may give you the choice to opt out of different types of sharing. For example, you could opt out of certain categories of information the company provides to other companies but allow the company to share other kinds of information.

Privacy Notices You May Receive

Initial Privacy Notice. You will usually receive a privacy notice when you open an account or become a customer of a financial company. If you open an account over the phone, however, and you agree, the company may send you a notice at a later time.

Annual Privacy Notices. Each financial company you have an ongoing relationship with—for example, the bank where you have a checking account, your credit card company, or a company that services your loan—must give you a notice of its privacy policy annually.

Notice of Changes in Privacy Policies. If a company changes its privacy policy, it will either send you a revised privacy notice or tell you about the changes in the company's next annual notice.

A privacy notice may be included as an insert with your monthly statement or bill, or it may be sent to you in a separate mailing. If you agree to electronic delivery from an online financial company, the notice may be sent to you by e-mail or it may be made available to you on the company's website.

If you have **more than one account** with the same company, the company may send you only one privacy notice for all of your accounts or it may send you separate notices for each of your accounts.

If you have a **joint account** with another person (for example, a joint checking account or a mortgage loan), the financial company may send a notice to one of you or to each person listed on the account. If the company provides an opportunity to opt out, it must let one of the account holders opt out for all joint account holders.

What to Do When You Receive Your Notices

- Read all privacy notices.
- Get answers to your questions from your financial company.
- If applicable, decide whether you want to opt out.

If you want to opt out, follow the instructions in the notice—and, if necessary, shop around for a financial institution with the privacy policy you want.