Bur. of Consumer Financial Protection

has rulemaking authority pursuant to sections 504(a)(1)(A)-(B) of the GLB Act (12 U.S.C. 6804(a)(1)(A)-(B)). Except as otherwise specifically provided herein, entities to which this part applies are referred to in this part as “you.”

§1016.3 Definitions.

As used in this part, unless the context requires otherwise:

(a)(1) Affiliate means any company that controls, is controlled by, or is under common control with another company.

(b)(1) Clear and conspicuous means that a notice is reasonably understandable and designed to call attention to the nature and significance of the information in the notice.

(ii) You make your notice reasonably understandable if you:

(A) Present the information in the notice in clear, concise sentences, paragraphs, and sections;

(B) Use short explanatory sentences or bullet lists whenever possible;

(C) Use definite, concrete, everyday words and active voice whenever possible;

(D) Avoid multiple negatives;

(E) Avoid legal and highly technical business terminology whenever possible;

(F) Avoid explanations that are imprecise and readily subject to different interpretations.

(ii) Designed to call attention. You design your notice to call attention to

§1016.2 Model privacy form and examples.

(a) Model privacy form. Use of the model privacy form in the appendix to this part, consistent with the instructions in the appendix constitutes compliance with the notice content requirements of §§1016.6 and 1016.7 of this part, although use of the model privacy form is not required.

(b) Examples. The examples in this part are not exclusive. Compliance with an example, to the extent applicable, constitutes compliance with this part.

§1016.3 Definitions.

As used in this part, unless the context requires otherwise:

(a)(1) Affiliate means any company that controls, is controlled by, or is under common control with another company.

(ii) Any institution of higher education that complies with the Federal Educational Rights and Privacy Act (FERPA), 20 U.S.C. 1232g, and its implementing regulations, 34 CFR part 99, and that is also a financial institution described in §1016.3(l)(3) of this part, shall be deemed to be in compliance with this part if it is in compliance with FERPA.

(iii) A broker or dealer that is registered under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.);

(iv) A registered investment adviser, properly registered by or on behalf of either the Securities Exchange Commission or any state, with respect to its investment advisory activities and its activities incidental to those investment advisory activities;

(v) An investment company that is registered under the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.);

or

(vi) An insurance company, with respect to its insurance activities and its activities incidental to those insurance activities, that is subject to supervision by a state insurance regulator.

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