

LENDERS UPDATE™

ALT & ASSOCIATES NEWSLETTER

A COMPLIMENTARY SERVICE TO THE MORTGAGE LENDING INDUSTRY

David Jerome Alt
Attorney at Law
David.j.alt@altandassociates.com
www.altandassociates.com

Main Office:
2102 BUSINESS CENTER DRIVE
SUITE 130
IRVINE, CA 92612

September 1, 2016

FTC WANTS COMMENTS ON ITS STANDARDS FOR SAFEGUARDING CUSTOMER INFORMATION

On August 29, 2016, The Federal Trade Commission published a request for comments on its Safeguard's Rule. The Rule was developed as a result of the passage of the Gramm-Leach-Bliley Act. The ACT required the development and implementation of a Privacy Rule regarding the disclosure of nonpublic personal information and then a Safeguards Rule relating to administrative, technical and physical safeguards for customer information. The background of the Request and the issues open for comment themselves may be found in the FTC notice published in the Federal Register at: https://www.ftc.gov/system/files/documents/federal_register_notices/2016/08/frn_safeguards_reg_review_8-29-16.pdf.

The questions as set forth comprise over four pages in the Notice: too lengthy to set out here in full. However, they comprise general and specific issues. The general issues include:

- ✚ The continued need for the Rule.
- ✚ What benefits flow to consumers from the Rule and whether any modifications might increase those benefits?
- ✚ What costs are incurred by consumers flowing from the Rule?
- ✚ The level of industry compliance with the rule.

As to specific issues, the Commission would like comment on several, including:

- ✚ Should financial institutions have a response plan for breach events?
- ✚ Should there be more specific requirements for information security plans?
- ✚ Should the definition of Financial Institution be enlarged to include those institutions which engage in activities which are incidental to financial activities and not currently covered?

The Notice whose site is referenced above contains information as to how Comments may be submitted.

The Senders Update is published via e-mail as a complimentary service to our friends and clients in the financial industry throughout California and the United States.

Only those persons who have personally requested this newsletter are on our distribution list.

SHOULD YOU NOT WISH TO CONTINUE TO RECEIVE THIS SERVICE, PLEASE JUST SEND US AN EMAIL TO "OP-OUT" AT:

special@altandassociates.com

ALSO, SHOULD YOU HAVE COLLEAGUES WHO WISH TO BE ADDED TO THIS COMPLIMENTARY SERVICE, PLEASE HAVE THEM E-MAIL US AT:

special@altandassociates.com

ALT & ASSOCIATES provides regulatory, compliance, operational advice and transactional assistance, as well as litigation representation, to the financial services industry. Over the past three decades, members of the firm have represented Institutional Lenders and Mortgage Bankers and Brokers in all aspects of their operations.

If you have any questions please contact:

David J. Alt, Esq.

David.j.alt@altandassociates.com

You may view previous issues on our website at:

www.altandassociates.com

Who's Who in American Law

Martindale Hubble Pre-Eminent Attorney