

## NEWS RELEASE

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# ICI Supports SEC's Proposed Privacy Protections, August 2004

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## **“Limitations on affiliate marketing appropriately balances important consumer interests”**

Washington, DC, August 13, 2004 - The Investment Company Institute today expressed its support for [SEC rules](#) that would implement additional protections of consumers' financial information.

The ICI today filed a [comment letter in support of an SEC proposal](#) to implement the affiliate marketing provisions of the Fair and Accurate Credit Transactions Act of 2003 (FACTA). FACTA amended the Fair Credit Reporting Act (FCRA) to protect consumer privacy by requiring financial institutions that share customer information with affiliates for marketing purposes to provide notice and allow consumers the opportunity to “opt-out”.

“Congress made clear that financial institutions have responsibility for protecting their customers' financial privacy. Clients served by such institutions, including mutual fund investors, should be informed of their rights, and know that they have the opportunity to opt-out of having their information used for marketing purposes,” said Elizabeth Krentzman, ICI General Counsel.

In its comment letter to the SEC, the Institute stated, “Congress set a national standard that permits consumers to control an affiliate's use of information about them for marketing purposes. In the Institute's view, this approach appropriately balances two important consumer interests: giving consumers control over the use of certain information for marketing solicitations and ensuring that they efficiently receive financial products and services. For this reason, we supported the addition of Section 624 to the FCRA and we support the adoption of the Commission's proposed implementing regulation.”