

## Privacy Act – (Gramm-Leach-Bliley Act)

A new law went into effect on July 1, 2001 that may affect your dealership. The Gramm-Leach-Bliley Act (GLB) contains specific requirements for businesses when they obtain personal information about customers during a financial transaction. There is a notification requirement that you must provide your customers that informs them what you may do with the personal information you get from them. It applies to individual consumers, **not commercial or business customers**. In many cases, this law will apply only to your lawn and garden customers, and only if you are collecting personal information in a financing agreement.

It remains our understanding that if you are merely acting as an agent in financing equipment through your manufacturer's credit corporation or another financing company, the bulk of the GLB requirements fall on the financial institution. However, if you collect the personal information or have access to it, you will want to notify your customers that you do not release this information to anyone other than the financial institution. I would suggest checking with your suppliers or financing companies to find out how they are complying with this law and how they will help you comply.

Following is a DEALER ALERT from the North American Equipment Dealers Association (NAEDA) with more information and directions on how to access the NAEDA website for further instructions. The website includes three different sample privacy notices that may be used by dealers whose "customer" or "consumer" financial transactions fall within the limits of GLB. NAEDA has copies of the sample notices if you are unable to access them on the website.

If you have trouble accessing the website or don't have access to the Internet, please call me for additional information.

### DEALER ALERT

The following is information about the Gramm-Leach-Bliley (GLB) Act, a law that goes into effect July 1, 2001. The GLB Act sets out various requirements for businesses that obtain personal information about customers during a financial transaction.

The North American Equipment Dealers Association (NAEDA) encourages dealers to learn more about the GLB Act and how this complex law might apply to their operations. Below are questions for dealers to consider:

- **DOES** your dealership provide any financing or leasing services to your customers; and
- **DOES** your dealership have any customers who purchase equipment or other products from your dealership for personal, household, or family (not business-related) use?

If you answer YES to these questions, **THEN** your dealership is likely subject to a new federal law that requires you to make specific disclosures to your customers about how your dealership collects and uses their personal financial information.

The new federal disclosure law, GLB Act, becomes effective July 1, 2001. If you believe your dealership is subject to the law, log onto NAEDA's Web site at [www.naeda.com](http://www.naeda.com) and click on "Gramm-Leach-Bliley Act" to review a summary of the act.

Dealers with questions about the GLB Act should consult their attorneys or visit the following websites: Federal Trade Commission [www.ftc.com](http://www.ftc.com) (click on link *Gramm-Leach-Bliley Act – Privacy Rule* for full text) or Privacy Headquarters at [www.privacyheadquarters.com](http://www.privacyheadquarters.com).