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1320

2009-2010 Regular Sessions

I N S E N A T E

January 28, 2009

Introduced by Sen. KRUGER -- read twice and ordered printed, and when printed to be committed to the Committee on Banks

AN ACT to amend the banking law, in relation to the disclosure of a banking institution's customer records

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. The banking law is amended by adding a new section 9-v to read as follows:

S 9-V. DISCLOSURE OF CUSTOMER RECORDS. 1. FOR PURPOSES OF THIS SECTION, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS:

(A) "BANKING INSTITUTION" MEANS ALL BANKS, TRUST COMPANIES, SAVINGS BANKS, SAVINGS AND LOAN ASSOCIATIONS, CREDIT UNIONS, MORTGAGE BANKERS, EXEMPT ORGANIZATIONS AS DEFINED IN ARTICLE TWELVE-D OF THIS CHAPTER, LICENSED LENDERS AND FOREIGN BANKING CORPORATIONS WHETHER INCORPORATED, CHARTERED, ORGANIZED OR LICENSED UNDER THE LAWS OF THIS STATE OR ANY OTHER STATE OR THE UNITED STATES.

(B) "AGENT" MEANS ANY PERSON AUTHORIZED TO TRANSACT BUSINESS FOR A PRINCIPAL.

(C) "CUSTOMER" MEANS A DEPOSITOR IN, BORROWER FROM, AND ANY OTHER PERSON PATRONIZING A BANKING INSTITUTION AND UTILIZING ITS SERVICES.

(D) "CUSTOMER IDENTIFICATION" MEANS THE ORIGINAL OR ANY COPY OR SUMMARY OF ANY DOCUMENT, INCLUDING ANY EVIDENCE OF A TRANSACTION CONDUCTED BY ELECTRONIC TERMINAL, THAT CONTAINS THE NAME AND/OR ADDRESS OF ANY CUSTOMER OF A BANKING INSTITUTION, OR ANY DATA FROM WHICH SUCH INFORMATION COULD BE CONSTRUCTED.

(E) "CUSTOMER INFORMATION" MEANS THE ORIGINAL OR ANY COPY OR SUMMARY OF ANY DOCUMENT, INCLUDING ANY EVIDENCE OF A TRANSACTION CONDUCTED BY MEANS OF AN ELECTRONIC TERMINAL, THAT CONTAINS A CUSTOMER'S CUSTOMER IDENTIFICATION AND ANY INFORMATION CONCERNING A CUSTOMER'S INDIVIDUAL SAVINGS OR LOAN ACCOUNTS OR THE DETAILS OF OTHER TYPES OF TRANSACTIONS

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

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BETWEEN THE CUSTOMER AND THE BANKING INSTITUTION, OR ANY DATA FROM WHICH SUCH INFORMATION COULD BE CONSTRUCTED.

(F) "PERSON" MEANS AN INDIVIDUAL, PARTNERSHIP, CORPORATION, ASSOCIATION, TRUST, OR ANY OTHER LEGAL ENTITY ORGANIZED UNDER THE LAWS OF ANY STATE OR OF THE UNITED STATES, OR OF ANY FOREIGN STATE.

(G) "PUBLIC RECORD" MEANS A RECORD WHICH IS AVAILABLE TO THE PUBLIC PURSUANT TO ARTICLE SIX OF THE PUBLIC OFFICERS LAW.

(H) "THIRD PERSON" MEANS A PERSON OTHER THAN THE CUSTOMER, THE BANKING INSTITUTION, ITS WHOLLY-OWNED SUBSIDIARY OR AFFILIATE, TO WHOM DISCLOSURE IS RESTRICTED BY THIS SECTION.

(I) "SUBSIDIARY" SHALL HAVE THE SAME MEANING AS PROVIDED FOR IN SUBDIVISION FIVE OF SECTION ONE HUNDRED FORTY-ONE OF THIS CHAPTER.

(J) "AFFILIATE" SHALL HAVE THE SAME MEANING AS PROVIDED FOR IN SUBDIVISION SIX OF SECTION THIRTY-SIX OF THIS CHAPTER.

2. A CUSTOMER OF A BANKING INSTITUTION OR HIS OR HER DULY AUTHORIZED AGENT HAS THE RIGHT TO OBTAIN AND INSPECT CUSTOMER INFORMATION PERTAINING SOLELY TO THE CUSTOMER'S OWN SAVINGS ACCOUNTS OR LOAN ACCOUNTS RECORDS, OR INFORMATION PERTAINING TO OTHER FINANCIAL TRANSACTIONS WITH THE BANKING INSTITUTION. A CUSTOMER DOES NOT HAVE THE RIGHT UNDER THIS SECTION TO OBTAIN INTERNAL BUSINESS PAPERS, MEMORANDA, OR OTHER CONFIDENTIAL CORRESPONDENCE OR COMMUNICATIONS BETWEEN THE INSTITUTION AND OTHERS INCLUDING ITS ATTORNEYS, ACCOUNTANTS, AND BOARD OF DIRECTORS THAT MAY RELATE TO THE CUSTOMER.

3. (A) A BANKING INSTITUTION MAY DISCLOSE A CUSTOMER'S CUSTOMER INFORMATION TO (I) A WHOLLY-OWNED SUBSIDIARY OR AFFILIATE OF THE BANKING INSTITUTION, OR (II) TO THIRD PERSONS IF THE CUSTOMER INFORMATION INTENDED TO BE RELEASED IS LIMITED TO INFORMATION RECORDED IN THE PUBLIC RECORDS AND/OR A CUSTOMER'S CUSTOMER IDENTIFICATION, PROVIDED THAT IN EITHER CASE THE BANKING INSTITUTION HAS GIVEN WRITTEN NOTICE TO THE CUSTOMER OF THE INTENT OF THE BANKING INSTITUTION TO RELEASE SUCH INFORMATION, AND THAT THE CUSTOMER HAS THE RIGHT TO PROHIBIT THE RELEASE OF THIS INFORMATION BY NOTIFYING THE BANKING INSTITUTION IN WRITING OF HIS OR HER OBJECTION, OR (III) TO THIRD PERSONS IF THE CUSTOMER INFORMATION TO BE DISCLOSED IS CUSTOMER INFORMATION NOT CONTAINED IN A PUBLIC RECORD PROVIDED THAT THE BANKING INSTITUTION HAS COMPLIED WITH THIS SECTION.

(B) ANY DISCLOSURE PURSUANT TO SUBPARAGRAPH (I) OR (II) OF PARAGRAPH (A) OF THIS SUBDIVISION MAY BE MADE NO SOONER THAN FIFTEEN DAYS AFTER THE CUSTOMER RECEIVED THE NOTICE, IF THE NOTICE WAS GIVEN IN PERSON, OR FIFTEEN DAYS AFTER THE NOTICE WAS MAILED TO THE CUSTOMER, AND SHALL BE LIMITED TO THOSE CUSTOMERS OF THE BANKING INSTITUTION WHO HAVE NOT OBJECTED TO THE RELEASE OF HIS OR HER CUSTOMER INFORMATION PURSUANT TO THOSE PROVISIONS. SUCH NOTICE MAY BE GIVEN TO NEW CUSTOMERS AT THE TIME AN ACCOUNT IS OPENED, AT THE TIME A LOAN OR MORTGAGE IS GRANTED OR AT THE TIME THE CUSTOMER ENTERS INTO ANOTHER FORM OF FINANCIAL TRANSACTION WITH THE BANKING INSTITUTION. SUCH NOTICE MAY ALSO BE PROVIDED TO OTHER CUSTOMERS WITH OR IN A MONTHLY ACCOUNT STATEMENT, PERIODIC STATEMENT OR OTHER MAILING.

(C) AT LEAST ONCE EVERY TWO YEARS AFTER A BANKING INSTITUTION RELEASES A CUSTOMER'S CUSTOMER INFORMATION PURSUANT TO PARAGRAPH (A) OF THIS SUBDIVISION, A BANKING INSTITUTION THAT DESIRES TO CONTINUE TO RELEASE CUSTOMER INFORMATION SHALL PROVIDE WRITTEN NOTICE TO SUCH CUSTOMERS REMINDING THEM THAT THE BANKING INSTITUTION MAY RELEASE SUCH CUSTOMER INFORMATION AND OF THE CUSTOMER'S CONTINUING RIGHT TO WITHDRAW SUCH AUTHORIZATION AT ANY TIME. THE NOTICE MUST CONTAIN AN ADDRESS WHERE THE CUSTOMER MAY REGISTER SUCH WITHDRAWAL OF CONSENT.

4. NOTWITHSTANDING SUBDIVISION THREE OF THIS SECTION, A BANKING INSTITUTION MAY DISCLOSE ITS CUSTOMER INFORMATION TO THE FOLLOWING:

(A) ANY PERSON TO WHOM THE CUSTOMER HAS AFFIRMATIVELY AUTHORIZED SUCH DISCLOSURE IN WRITING;

(B) ANY DIRECTOR, OFFICER, OR EMPLOYEE OF A BANKING INSTITUTION HAVING THE DUTY TO PREPARE, EXAMINE, HANDLE, MAINTAIN, OR PROCESS CUSTOMER INFORMATION IN THE ORDINARY COURSE OF CONDUCTING THE BANKING INSTITUTION'S BUSINESS;

(C) ANY AGENT OF THE BANKING INSTITUTION, ANY INDEPENDENT CONTRACTOR PROVIDING A SERVICE TO THE BANKING INSTITUTION IN THE ORDINARY COURSE OF THE BANKING INSTITUTION'S BUSINESS, OR ANY PERSON PROVIDING PROFESSIONAL SERVICES TO THE BANKING INSTITUTION, INCLUDING, BUT NOT LIMITED TO, AN ACCOUNTANT ENGAGED BY THE BANKING INSTITUTION TO PREPARE AN INDEPENDENT AUDIT, AN ATTORNEY PERFORMING A SERVICE ON BEHALF OF THE BANKING INSTITUTION, AN AGENT OR OTHER PERSON REPRESENTING THE BANKING INSTITUTION IN COLLECTING A DEBT OR OTHERWISE SECURING PAYMENT OF A LOAN OR ADVANCE;

(D) ANY OFFICER, EMPLOYEE, OR AGENT OF THE BANKING BOARD FOR USE SOLELY IN THE EXERCISE OF ITS DUTIES;

(E) A FINANCIAL INSTITUTION, COMMERCIAL ENTERPRISE, OR CREDIT REPORTING AGENCY, WHEN SUCH DISCLOSURE IS PART OF AN EXCHANGE IN THE REGULAR COURSE OF BUSINESS OF INFORMATION PERTAINING TO THE CREDIT-WORTHINESS OF THE CUSTOMER BETWEEN A BANKING INSTITUTION AND ANOTHER FINANCIAL INSTITUTION OR COMMERCIAL ENTERPRISE, DIRECTLY OR THROUGH A CREDIT REPORTING AGENCY;

(F) PERSONS TO WHOM REPORTS OR RETURNS MUST BE MADE OR INFORMATION DISCLOSED PURSUANT TO STATE LAW OR REGULATIONS INCLUDING, BUT NOT LIMITED TO, THE DEPARTMENT OF TAXATION AND FINANCE, OR ANY GOVERNMENT AUTHORITY ACTING PURSUANT TO LAW;

(G) PERSONS TO WHOM INFORMATION IS PERMITTED TO BE DISCLOSED UNDER LAW CONCERNING THE DISHONOR OF A NEGOTIABLE INSTRUMENT;

(H) THE BANKING INSTITUTION'S BOND OR INSURANCE COMPANIES WHEN THE BANKING INSTITUTION HAS INFORMATION RELATIVE TO A CLAIM PURSUANT TO ITS BOND OR DIRECTOR'S AND OFFICER'S LIABILITY INSURANCE POLICY OR OTHER INSURANCE COVERAGE;

(I) ANY PERSON FOR THE PURPOSE OF ENGAGING IN A SECONDARY MARKET TRANSACTION;

(J) REPRESENTATIVES OF THE ATTORNEY GENERAL CONDUCTING CIVIL INVESTIGATIONS, PURSUING CIVIL ACTIONS FOR THE PURPOSE OF ASSESSING CIVIL MONEY PENALTIES, OR PURSUING FORFEITURES FOR VIOLATIONS OF BANKING INSTITUTION CRIMINAL STATUTES; AND

(K) ANY PERSON NOT EXPRESSLY PERMITTED BY THIS SECTION IF THE BANKING INSTITUTION RECEIVES THE PRIOR WRITTEN APPROVAL OF THE BANKING BOARD, WHICH MAY ESTABLISH THE TERMS AND CONDITIONS GOVERNING SUCH RELEASE.

5. PRIOR TO THE RELEASE BY A BANKING INSTITUTION OF ITS CUSTOMER INFORMATION AUTHORIZED BY PARAGRAPH (A) OF SUBDIVISION THREE OR BY EXCEPTIONS CONTAINED IN PARAGRAPH (A), (C), (E), (H) OR (I) OF SUBDIVISION FOUR OF THIS SECTION SHALL REQUIRE INTENDED RECIPIENTS OF CUSTOMER INFORMATION TO EXECUTE AN AGREEMENT STATING AT A MINIMUM THE SPECIFIC USE TO BE MADE OF THE CUSTOMER INFORMATION AND PROHIBITING SUBSEQUENT DISCLOSURE OF THE CUSTOMER INFORMATION TO A THIRD PARTY, EXCEPT IF SUCH DISCLOSURE IS REQUIRED BY LAW OR PURSUANT TO THE CIRCUMSTANCES SET FORTH IN PARAGRAPH (D), (F) OR (I) OF SUBDIVISION FOUR OF THIS SECTION, AND, IF THE RECIPIENT OF THE CUSTOMER INFORMATION IS A CREDIT REPORTING AGENCY, SUBSEQUENT DISCLOSURES MAY BE MADE IN THE REGULAR COURSE OF THE CREDIT REPORTING AGENCY'S BUSINESS.

6. (A) BEFORE RELEASING ANY CUSTOMER INFORMATION PURSUANT TO SUBPARAGRAPH (III) OF PARAGRAPH (A) OF SUBDIVISION THREE OF THIS SECTION, A BANKING INSTITUTION SHALL:

(I) PROVIDE A COPY OF AN "INFORMED CONSENT FORM" TO ALL NEW AND EXISTING CUSTOMERS OF THE BANKING INSTITUTION WHOSE CUSTOMER INFORMATION IS NOT CONTAINED IN THE PUBLIC RECORDS INTENDED TO BE DISCLOSED TO THIRD PERSONS. SUCH FORM MAY BE GIVEN TO NEW CUSTOMERS AT THE TIME AN ACCOUNT IS OPENED, AT THE TIME A LOAN OR MORTGAGE APPLICATION IS MADE, AT THE TIME A LOAN OR MORTGAGE IS GRANTED OR AT THE TIME THE CUSTOMER ENTERS INTO ANOTHER FORM OF FINANCIAL TRANSACTION WITH THE BANKING INSTITUTION. SUCH FORM MAY ALSO BE PROVIDED TO OTHER CUSTOMERS WITH OR IN A MONTHLY ACCOUNT STATEMENT, PERIODIC STATEMENT OR OTHER MAILING. THE CONSENT FORM SHALL CONTAIN:

(A) A DEFINITION OF CUSTOMER INFORMATION NOT CONTAINED IN A PUBLIC RECORD ("NON-PUBLIC CUSTOMER INFORMATION");

(B) A STATEMENT THAT THE CUSTOMER HAS THE RIGHT TO WITHHOLD CONSENT TO THE RELEASE OF HIS OR HER NON-PUBLIC CUSTOMER INFORMATION BY THE BANKING INSTITUTION;

(C) A DESCRIPTION OF THE TYPES OF BUSINESSES, ORGANIZATIONS, OR OTHER PERSONS OR ENTITIES TO WHOM NON-PUBLIC CUSTOMER INFORMATION MAY BE DISCLOSED AND THE TIME PERIOD, NOT TO EXCEED TWO YEARS, IN WHICH SUCH DISCLOSURES MAY BE MADE;

(D) A STATEMENT THAT THE BANKING INSTITUTION MAY SEEK TO RELEASE NON-PUBLIC CUSTOMER INFORMATION FOR A LONGER PERIOD THAN TWO YEARS, AND IF AN EXTENSION IS SOUGHT, THE BANKING INSTITUTION SHALL PROVIDE A NOTICE EXPLICITLY REMINDING THE CUSTOMER OF THE CUSTOMER'S PRIOR AUTHORIZATION AND THE CUSTOMER'S CONTINUING RIGHT TO WITHDRAW THAT AUTHORIZATION;

(E) A STATEMENT THAT IF RELEASE IS CONTEMPLATED TO TYPES OF RECIPIENTS OTHER THAN THOSE FOR WHICH AUTHORIZATION IS SOUGHT THE BANKING INSTITUTION MUST OBTAIN NEW AUTHORIZATION FOR THE RELEASE;

(F) A STATEMENT THAT THE CUSTOMER MAY AT ANY TIME PROVIDE THE BANKING INSTITUTION WITH WRITTEN NOTICE WITHDRAWING THE CUSTOMER'S PRIOR CONSENT TO RELEASE NON-PUBLIC CUSTOMER INFORMATION AND HOW AND TO WHOM SUCH NOTICE MUST BE GIVEN;

(G) A STATEMENT THAT NON-PUBLIC CUSTOMER INFORMATION MAY BE RELEASED PURSUANT TO STATUTE OR REGULATION EVEN WHEN NOT AUTHORIZED BY THE CUSTOMER;

(H) A STATEMENT AUTHORIZING THE RELEASE OF NON-PUBLIC CUSTOMER INFORMATION; AND

(I) A SPACE FOR THE CUSTOMER'S SIGNATURE AND FOR THE DATE THE DOCUMENT WAS EXECUTED.

(II) RECEIVE A SIGNED AND DATED CONSENT FORM FROM THE CUSTOMER; AND

(III) RETAIN A COPY OF EACH CONSENT FORM IN AN APPROPRIATE FILE MAINTAINED FOR THE CUSTOMER PROVIDING THE AUTHORIZATION.

(B) A BANKING INSTITUTION SHALL FULFILL THE REQUIREMENT THAT IT OBTAIN CONSENT FROM ITS CUSTOMERS BEFORE DISCLOSING CUSTOMER INFORMATION NOT CONTAINED IN A PUBLIC RECORD UNDER SUBPARAGRAPH (III) OF PARAGRAPH (A) OF SUBDIVISION THREE OF THIS SECTION BY PROVIDING A CLEAR AND CONSPICUOUS DOCUMENT CONTAINING THE INFORMATION SET FORTH IN PARAGRAPH (A) OF THIS SUBDIVISION. THE FOLLOWING COMPLIES WITH THIS REQUIREMENT, BUT BANKING INSTITUTIONS ARE PERMITTED TO DEVELOP THEIR OWN FORMS CONTAINING THE REQUIRED INFORMATION:

AUTHORIZATION TO DISCLOSE CUSTOMER INFORMATION

(CUSTOMER NAME)

(ACCOUNT/LOAN NUMBER(S))

UNDER APPLICABLE LAW AND REGULATIONS (NAME OF BANKING INSTITUTION) MUST OBTAIN YOUR CONSENT TO DISCLOSE NON-PUBLIC INFORMATION CONCERNING YOUR ACCOUNT BALANCES, LOANS, OR OTHER FINANCIAL ACTIVITIES TO VARIOUS ENTITIES. THIS INFORMATION THAT PERTAINS TO YOUR FINANCIAL TRANSACTIONS IS KNOWN AS NON-PUBLIC CUSTOMER INFORMATION.

(NAME OF BANKING INSTITUTION) DESIRES TO DISCLOSE SUCH INFORMATION DURING THE NEXT (PERIOD OF TIME NOT TO EXCEED TWO YEARS) TO (INSERT TYPES OF PERSONS OR ENTITIES TO WHICH THE CUSTOMER RECORDS ARE INTENDED TO BE DISCLOSED). THESE PERSONS OR ENTITIES MAY CONTACT YOU TO OFFER YOU A PRODUCT OR SERVICE. THESE PERSONS OR ENTITIES HAVE AGREED, OR WILL BE REQUIRED TO AGREE, NOT TO DISCLOSE THIS INFORMATION TO ANY OTHER PERSON OR BUSINESS, EXCEPT AS PERMITTED BY LAW AND REGULATION, AND HAVE AGREED THAT NON-PUBLIC CUSTOMER INFORMATION SHALL REMAIN CONFIDENTIAL. (NAME OF BANKING INSTITUTION) MAY RECEIVE A FEE FOR THE RELEASE OF CUSTOMER RECORDS. IN THE EVENT THAT THE BANKING INSTITUTION WISHES TO DISCLOSE SUCH INFORMATION TO PERSONS OR ENTITIES NOT DESCRIBED ABOVE, THE BANKING INSTITUTION WILL SEEK REAUTHORIZATION. IN THE EVENT THE BANKING INSTITUTION WISHES TO DISCLOSE THIS INFORMATION BEYOND TWO YEARS, IT WILL PROVIDE YOU WITH NOTICE.

WITHOUT YOUR CONSENT, (NAME OF BANKING INSTITUTION) CANNOT DISCLOSE YOUR NON-PUBLIC CUSTOMER INFORMATION EXCEPT AS PROVIDED FOR BY LAW AND REGULATION.

IF YOU PROVIDE YOUR CONSENT TO DISCLOSE THIS INFORMATION NOW OR IN THE FUTURE, YOU MAY WITHDRAW YOUR CONSENT AT ANY TIME. YOU MAY WITHDRAW YOUR CONSENT BY WRITING (NAME OF BANKING INSTITUTION) AT THE FOLLOWING ADDRESS:

(NAME OF BANKING INSTITUTION)
(ADDRESS OF BANKING INSTITUTION)
(ATTN:)

IF, AFTER READING THE FOLLOWING STATEMENT, YOU CONSENT TO THE RELEASE OF NON-PUBLIC CUSTOMER INFORMATION, SIGN YOUR NAME ON THE SPACE PROVIDED AND RETURN THIS FORM TO (NAME OF BANKING INSTITUTION).

AUTHORIZATION

I HEREBY PROVIDE MY CONSENT TO (NAME OF BANKING INSTITUTION) TO RELEASE MY NON-PUBLIC CUSTOMER INFORMATION TO THIRD PERSONS, AND UNDERSTAND THAT I MAY WITHDRAW SUCH CONSENT AT ANY TIME. I HAVE BEEN INFORMED OF MY RIGHT TO WITHHOLD MY CONSENT FOR (NAME OF BANKING INSTITUTION) TO RELEASE MY NON-PUBLIC CUSTOMER INFORMATION AND I HAVE READ THE INFORMATION PRINTED ABOVE.

_________________ _________________
NAME OF CUSTOMER DATE

(C) BANKING INSTITUTIONS SHALL NOT RELEASE ANY PERSON'S NON-PUBLIC CUSTOMER INFORMATION AND SHALL TAKE SUCH AFFIRMATIVE STEPS AS MAY BE NECESSARY TO INSURE THAT SUCH CUSTOMER INFORMATION IS NOT RELEASED:

(I) IF THE CUSTOMER HAS NOT AUTHORIZED THE DISCLOSURE OF SUCH INFORMATION;

(II) IF AT ANY TIME, THE BANKING INSTITUTION RECEIVES WRITTEN NOTIFICATION OF A CUSTOMER'S WITHDRAWAL OF CONSENT TO RELEASE CUSTOMER INFORMATION PURSUANT TO THIS SECTION.

(D) A CUSTOMER MAY, AT ANY TIME, WITHDRAW THE CONSENT BY WRITING TO THE BANKING INSTITUTION AND INFORMING IT OF THE WITHDRAWAL OF CONSENT.

(E) FOR THE PURPOSE OF COMPLIANCE WITH THE RENEWAL NOTICE REQUIREMENT OF PARAGRAPH (C) OF SUBDIVISION THREE OF THIS SECTION FOR RELEASE OF NON-PUBLIC CUSTOMER INFORMATION TO THIRD PERSONS, THE FOLLOWING NOTICE WILL BE CONSIDERED TO BE IN COMPLIANCE WITH SUCH PARAGRAPH (C), BUT

BANKING INSTITUTIONS MAY DEVELOP THEIR OWN NOTICES PROVIDED THAT THE EQUIVALENT INFORMATION IS CONTAINED THEREIN:

RENEWAL NOTICE FOR RELEASE OF NON-PUBLIC INFORMATION

(NAME OF CUSTOMER)

(ACCOUNT/LOAN NUMBER(S))

YOU PREVIOUSLY GAVE (NAME OF BANKING INSTITUTION) YOUR CONSENT TO DISCLOSE NON-PUBLIC INFORMATION CONCERNING YOUR ACCOUNT BALANCES, LOANS, OR OTHER FINANCIAL ACTIVITIES TO (TYPES OF PERSONS OR ENTITIES TO WHICH THE CUSTOMER INFORMATION HAS BEEN DISCLOSED). THIS INFORMATION THAT PERTAINS TO YOUR FINANCIAL TRANSACTIONS IS KNOWN AS NON-PUBLIC CUSTOMER INFORMATION.

(NAME OF BANKING INSTITUTION) IS REQUIRED BY LAW OR REGULATION TO INFORM YOU AT LEAST EVERY TWO YEARS OF YOUR RIGHT TO WITHDRAW YOUR CONSENT AT ANY TIME. IF YOU DECIDE TO WITHDRAW YOUR CONSENT, YOUR NON-PUBLIC CUSTOMER INFORMATION WILL NO LONGER BE DISCLOSED ONCE WE RECEIVE A WRITTEN NOTICE WITHDRAWING YOUR CONSENT. YOU MAY WITHDRAW YOUR CONSENT BY WRITING TO THE FOLLOWING ADDRESS:

(NAME OF BANKING INSTITUTION)

(ADDRESS OF BANKING INSTITUTION)

(ATTN: APPROPRIATE EMPLOYEE OF BANKING INSTITUTION)

7. EVERY BANKING INSTITUTION SHALL CONFORM ITS METHODS OF MAINTAINING RECORDS TO THE REQUIREMENTS OF THIS SECTION AND TO ANY SUCH REGULATIONS AS PROMULGATED BY THE SUPERINTENDENT. ANY BANKING INSTITUTION THAT FAILS TO ADHERE TO THE NOTIFICATION REQUIREMENTS PURSUANT TO PARAGRAPH (A) OF SUBDIVISION THREE OF THIS SECTION SHALL BE SUBJECT TO A PENALTY OF ONE HUNDRED DOLLARS FOR EACH DAY IT SO REFUSES OR NEGLECTS TO ADHERE TO THE REQUIREMENTS. IN ADDITION, ANY BANKING INSTITUTION THAT FAILS TO PROVIDE NOTICE PURSUANT TO SUCH PARAGRAPH (A) AND SUBSEQUENTLY DISCLOSES A CUSTOMER'S CUSTOMER INFORMATION AND/OR A CUSTOMER'S CUSTOMER IDENTIFICATION OR FAILS TO HONOR THE DISCLOSURE PREFERENCE REGARDING A CUSTOMER'S CUSTOMER INFORMATION AND/OR CUSTOMER'S CUSTOMER IDENTIFICATION SHALL FORFEIT TO THE PEOPLE OF THE STATE THE PROCEEDS RECEIVED FROM SUCH DISCLOSURE.

8. NOTWITHSTANDING THE PROVISIONS OF SUBDIVISION THREE OR FOUR OF THIS SECTION, A BANKING INSTITUTION SHALL DISCLOSE ITS CUSTOMER INFORMATION TO PERSONS MAKING DEMAND PURSUANT TO LAWFUL SUBPOENA, SUMMONS, WARRANT OR COURT ORDER OR IN RESPONSE TO A SUBPOENA FROM A GRAND JURY SERVED UPON THE BANKING INSTITUTION.

S 2. This act shall take effect on the first of January next succeeding the date on which it shall have become a law.