

**HUNTON &
WILLIAMS**

The Center For Information Policy Leadership

HUNTON & WILLIAMS LLP
BANK OF AMERICA PLAZA, SUITE 4100
600 PEACHTREE STREET, N.E.
ATLANTA, GEORGIA 30308-2216

TEL 404 • 888 • 4000
FAX 404 • 888 • 4190

MARTIN E. ABRAMS
DIRECT DIAL: 404-888-4274
EMAIL: mabrams@hunton.com

February 6, 2004

Federal Trade Commission
Office of the Secretary
Room 159-H
600 Pennsylvania Avenue, NW
Washington, D.C. 20580



Re: Alternative Forms of Privacy Notices, Project No. P034815

Dear Sir or Madam:

On January 20, 2004, the Notices Project from the Center for Information Policy Leadership met with the interagency group working on the Interagency Proposal to Consider Alternative Forms of Privacy Notices under the Gramm-Leach-Bliley Act. At that time, CIPL distributed a spiral-bound book containing the information we presented. This letter is a formal submission of that notebook.

Per your request, we also attach "Suggested Principles to Guide The Financial Services Regulators Privacy Notices Considerations." We trust these principles will assist the agencies in their tasks.

The CIPL Notices Project intends to file additional comments prior to the expiration of the comment period on March 29, 2004.

Thank you for your consideration. If you have any questions about either submission please call me at (404) 888-4274.

Sincerely,

Handwritten signature of Martin Abrams in cursive script. Below the signature is the number "787".

Martin E. Abrams
Executive Director

MEA/tlf
Enclosures

Suggested Principles to Guide The Financial Services Regulators Privacy Notices Considerations

1. **GOALS PRINCIPLES: Simplified notices have two goals. It is important that both goals be met.**
 - **First, they should improve consumer comprehension of corporate privacy practices.**
 - **Second, they should facilitate comparison of corporate privacy practices.**

The interagency group should establish benchmarks against which to measure the success of any simplified notice proposal with respect to each of these goals. The research on notices referenced below provides insights on how to establish these benchmarks. For example, a common notice format will facilitate both comprehension and comparisons.

To these ends, we recommend that the interagency group see their efforts as creating a model for transparency. Regulators should also be supportive of national and international standards related to short notices to improve comprehension of relevant data for authorities and advisors as well as consumers.

2. **LEARNING PRINCIPLE: Respect the extensive body of research on how individuals learn from notices.**

The interagency group should rely on the wealth of existing research on effective learning and consumer information processing. This research should guide decisions on establishing consumer education goals for notice forms. It can also guide development of forms that improve consumers' ability to use notice information as a basis for comparing different financial institutions' practices.

The research on education reveals four key lessons:

- **Notices should be short.**

For notices to convey information to the majority of readers, they must contain no more than seven unique topics or messages. Each topic should have no more than four specific points. Any model template developed by the regulators should respect these length limits.

