

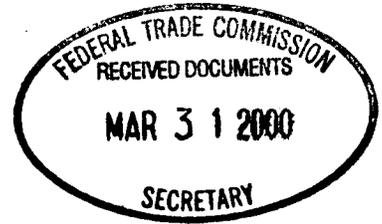
GMAC Financial Services

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March 30, 2000



Mr. Donald S. Clark, Secretary
Federal Trade Commission
Room H-159
600 Pennsylvania Avenue, N.W.
Washington, DC 20580

Re: **Gramm-Leach-Bliley Act Privacy Rule, 16 CFR Part 313 -- Comment**

Dear Mr. Clark:

General Motors Acceptance Corporation ("GMAC") respectfully submits this letter in response to publication of the Federal Trade Commission's Proposed Rule on the Privacy of Consumer Financial Information (65 Fed. Reg. 11174; March 1, 2000).

GMAC is one of the world's largest finance companies, with extensive vehicle finance, mortgage, and insurance operations. GMAC is committed to customer satisfaction, and we view respect for consumers' privacy concerns as an important component of customer satisfaction. We are in favor of measures that strike an appropriate balance between those privacy concerns and the costs and burdens of compliance with regulatory requirements.

We therefore support the comments of the American Financial Services Association, of which GMAC is a member. In particular, we support the suggestion of the AFSA that the rule's definition of financial product or service follow closely the ordinary understanding of that term, with the result that applicants are not included in the definition of consumer. We also believe that it is important to the efficient operation of credit markets that the rule not impose constraints on securitization trusts, other special purpose securitization entities, and conduits, because they do not provide financial products or services for personal, family, or household purposes. And we believe that it is important that the term "financial" be included in the definition of nonpublic personal information, to be consistent with the definition that appears in the Gramm-Leach-Bliley Act.

We also support the following comments that are of special concern in the area of consumer motor vehicle financing:

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It should be clear, either in connection with the definitions of information in Section 313.3 (n-o-p) or under the exception for processing and servicing transactions in Section 313.10, that a financial institution may provide the manufacturer with information related to a consumer's lease of a motor vehicle, so that, among other things, the manufacturer may issue recall notices to the consumer.

Vehicle service contracts, maintenance agreements, and other non-insurance products sold in connection with vehicle installment sales or leases should not be deemed to be financial products or services under Section 313.3(k).

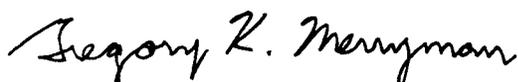
Section 313.4(d)(2)(i), which allows subsequent delivery of the initial notice when loans are assigned and the customer does not have a choice about the assignment, should be streamlined to cover all assigned credit obligations, including installment sale contracts, without regard to the customer's choice. In this way, financial institutions that sell and purchase obligations will avoid the issue of whether a consumer has a choice about the assignment in transactions where the consumer enters into an obligation with an expectation that it will be assigned.

It would be helpful if Section 313.10, which states exceptions for processing and servicing transactions, were to include a provision that would parallel Section 603(d)(2)(C) (15 U.S.C. Sec. 1681a(d)(2)(C)) of the Fair Credit Reporting Act. Such a provision would clearly state an exception for communications by a person who has been requested by a third party financial institution to make a specific credit extension directly or indirectly to a consumer, in which the person conveys the decision with respect to the request.

Finally, we ask that compliance with the rule be mandatory as of 12 months after publication, to allow sufficient time to reprogram systems and ensure that the compliance safeguards in outsourcing and service provider arrangements are sufficiently robust. A delayed effective date is especially important in view of the imperative, stated in the Supplementary Information, that consumers in certain circumstances be given notices and a reasonable opportunity to opt out before the effective date.

We appreciate the opportunity to participate in the regulatory process, and we thank you for your consideration of this letter.

Yours truly,



Gregory K. Merryman

Attorney