October 24, 2000

Via E-Mail Only at GLB501Rule@ftc.gov

Secretary
Federal Trade Commission
Room H-159
600 Pennsylvania Avenue, NW
Washington, DC 20580

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

Dear Mr. Secretary:

This comment letter is filed on behalf of Household Finance Corporation ("Household") in response to the advance notice of proposed rulemaking (the "Notice") published by the Federal Trade Commission (the "Commission") requesting comment on developing an administrative, technical, and physical information safeguards rule.

Household is a subsidiary of Household International, Inc., and is part of a family of financial institutions whose major products include real estate secured and unsecured consumer loans, automobile loans and credit cards. The primary customers of Household Companies are middle-market Americans, a core consumer base that it has been serving for over 120 years.

Certain Household International subsidiaries issue credit cards, and are members of MasterCard International, Incorporated. In this regard, Household has had the opportunity to review the comment letter prepared by MasterCard International, Inc., and is in agreement with the suggestions and thoughts expressed in that letter. Specifically, Household supports the following:

- The fundamental principle for the safeguards rule should be to allow each financial institution the flexibility to design an information security program that is best suited to the operations and activities of that financial institution.

- We would also urge the Commission to issue Safeguards that grant financial institutions enough flexibility to allow for the rapid modifications needed to address new information security threats as they develop.

- A simple, straightforward approach is the most effective approach. We agree that the rule issued by the SEC is an example of such an approach. The SEC's rule simply restates the statutory objectives and allows financial institutions to develop policies and procedures that are reasonably designed to meet such objectives.

- We agree that the Commission should provide several general options with respect to achieving a satisfactory level of security because financial institutions need the flexibility to adapt to changes in technology and criminal behavior in the future.

Household greatly appreciates the opportunity to provide comments. If you have any questions, or if we may otherwise be of assistance in connection with this issue, please do not hesitate to call me, at 847-564-6071.

Sincerely,

Donna L. Radzik

Ftc.letter