

THE INSURANCE CODE OF 1956 (EXCERPT)
Act 218 of 1956

500.531 Receipt of nonpublic personal financial information from nonaffiliated financial institution; limitation on disclosure.

Sec. 531.

(1) If a licensee receives nonpublic personal financial information from a nonaffiliated financial institution under an exception in section 537 or 539, the licensee's disclosure and use of that information is limited as follows:

(a) The licensee may disclose the information to the affiliates of the financial institution from which the licensee received the information.

(b) The licensee may disclose the information to its affiliates, but the licensee's affiliates may, in turn, disclose and use the information only to the extent that the licensee may disclose and use the information.

(c) The licensee may disclose and use the information pursuant to an exception in section 537 or 539 in the ordinary course of business to carry out the activity covered by the exception under which the licensee received the information.

(2) If a licensee receives nonpublic personal financial information from a nonaffiliated financial institution other than under an exception in section 537 or 539, the licensee may disclose the information only as follows:

(a) To the affiliates of the financial institution from which the licensee received the information.

(b) To its affiliates, but its affiliates may, in turn, disclose the information only to the extent that the licensee may disclose the information.

(c) To any other person, if the disclosure would be lawful if made directly to that person by the financial institution from which the licensee received the information.

(3) If a licensee discloses nonpublic personal financial information to a nonaffiliated third party under an exception in section 537 or 539, the third party may disclose and use that information only as follows:

(a) To the licensee's affiliates.

(b) To its affiliates, but its affiliates may, in turn, disclose and use the information only to the extent that the third party may disclose and use the information.

(c) Pursuant to an exception in section 537 or 539 in the ordinary course of business to carry out the activity covered by the exception under which it received the information.

(4) If a licensee discloses nonpublic personal financial information to a nonaffiliated third party other than under an exception in section 537 or 539, the third party may disclose the information only as follows:

(a) To the licensee's affiliates.

(b) To the third party's affiliates, but the third party's affiliates may, in turn, disclose the information only to the extent the third party can disclose the information.

(c) To any other person, if the disclosure would be lawful if the licensee made it directly to that person.

History: Add. 2001, Act 24, Imd. Eff. June 18, 2001

Popular Name: Act 218