

1 (1) The preparation, examination, handling or
2 maintenance of any financial records by any officer,
3 employee or agent of a bank having custody of the
4 records, or the examination of the records by a certified
5 public accountant engaged by the bank to perform an
6 independent audit.

7 (2) The examination of any financial records by, or
8 the furnishing of financial records by a bank to, any
9 officer, employee or agent of (i) the Commissioner of
10 Banks and Real Estate, (ii) after May 31, 1997, a state
11 regulatory authority authorized to examine a branch of a
12 State bank located in another state, (iii) the
13 Comptroller of the Currency, (iv) the Federal Reserve
14 Board, or (v) the Federal Deposit Insurance Corporation
15 for use solely in the exercise of his duties as an
16 officer, employee, or agent.

17 (3) The publication of data furnished from
18 financial records relating to customers where the data
19 cannot be identified to any particular customer or
20 account.

21 (4) The making of reports or returns required under
22 Chapter 61 of the Internal Revenue Code of 1986.

23 (5) Furnishing information concerning the dishonor
24 of any negotiable instrument permitted to be disclosed
25 under the Uniform Commercial Code.

26 (6) The exchange in the regular course of business
27 of (i) credit information between a bank and other banks
28 or financial institutions or commercial enterprises,
29 directly or through a consumer reporting agency or (ii)
30 financial records or information derived from financial
31 records between a bank and other banks or financial
32 institutions or commercial enterprises for the purpose of
33 conducting due diligence pursuant to a purchase or sale
34 involving the bank or assets or liabilities of the bank.

1 (7) The furnishing of information to the
2 appropriate law enforcement authorities where the bank
3 reasonably believes it has been the victim of a crime.

4 (8) The furnishing of information under the Uniform
5 Disposition of Unclaimed Property Act.

6 (9) The furnishing of information under the
7 Illinois Income Tax Act and the Illinois Estate and
8 Generation-Skipping Transfer Tax Act.

9 (10) The furnishing of information under the
10 federal Currency and Foreign Transactions Reporting Act
11 Title 31, United States Code, Section 1051 et seq.

12 (11) The furnishing of information under any other
13 statute that by its terms or by regulations promulgated
14 thereunder requires the disclosure of financial records
15 other than by subpoena, summons, warrant, or court order.

16 (12) The furnishing of information about the
17 existence of an account of a person to a judgment
18 creditor of that person who has made a written request
19 for that information.

20 (13) The exchange in the regular course of business
21 of information between commonly owned banks in connection
22 with a transaction authorized under paragraph (23) of
23 Section 5 and conducted at an affiliate facility.

24 (14) The furnishing of information in accordance
25 with the federal Personal Responsibility and Work
26 Opportunity Reconciliation Act of 1996. Any bank governed
27 by this Act shall enter into an agreement for data
28 exchanges with a State agency provided the State agency
29 pays to the bank a reasonable fee not to exceed its
30 actual cost incurred. A bank providing information in
31 accordance with this item shall not be liable to any
32 account holder or other person for any disclosure of
33 information to a State agency, for encumbering or
34 surrendering any assets held by the bank in response to a

1 lien or order to withhold and deliver issued by a State
2 agency, or for any other action taken pursuant to this
3 item, including individual or mechanical errors, provided
4 the action does not constitute gross negligence or
5 willful misconduct. A bank shall have no obligation to
6 hold, encumber, or surrender assets until it has been
7 served with a subpoena, summons, warrant, court or
8 administrative order, lien, or levy.

9 (15) The exchange in the regular course of business
10 of information between a bank and any commonly owned
11 affiliate of the bank, subject to the provisions of the
12 Financial Institutions Insurance Sales Law.

13 (16) The furnishing of information to law
14 enforcement authorities, the Illinois Department on Aging
15 and its regional administrative and provider agencies,
16 the Department of Human Services Office of Inspector
17 General, or public guardians, if the bank suspects that a
18 customer who is an elderly or disabled person has been or
19 may become the victim of financial exploitation. For the
20 purposes of this item (16), the term: (i) "elderly
21 person" means a person who is 60 or more years of age,
22 (ii) "disabled person" means a person who has or
23 reasonably appears to the bank to have a physical or
24 mental disability that impairs his or her ability to seek
25 or obtain protection from or prevent financial
26 exploitation, and (iii) "financial exploitation" means
27 tortious or illegal use of the assets or resources of an
28 elderly or disabled person, and includes, without
29 limitation, misappropriation of the elderly or disabled
30 person's assets or resources by undue influence, breach
31 of fiduciary relationship, intimidation, fraud,
32 deception, extortion, or the use of assets or resources
33 in any manner contrary to law. A bank or person
34 furnishing information pursuant to this item (16) shall

1 be entitled to the same rights and protections as a
2 person furnishing information under the Elder Abuse and
3 Neglect Act and the Illinois Domestic Violence Act of
4 1986.

5 (17) The disclosure of financial records or
6 information as necessary to effect, administer, or
7 enforce a transaction requested or authorized by the
8 customer, or in connection with:

9 (A) servicing or processing a financial
10 product or service requested or authorized by the
11 customer;

12 (B) maintaining or servicing a customer's
13 account with the bank; or

14 (C) a proposed or actual securitization or
15 secondary market sale (including sales of servicing
16 rights) related to a transaction of a customer.

17 Nothing in this item (17), however, authorizes the
18 sale of the financial records or information of a
19 customer without the consent of the customer.

20 (18) The disclosure of financial records or
21 information as necessary to protect against actual or
22 potential fraud, unauthorized transactions, claims, or
23 other liability.

24 (19) (a) The disclosure of financial records or
25 information related to a private label credit program
26 between a financial institution and a private label party
27 in connection with that private label credit program.
28 Such information is limited to outstanding balance,
29 available credit, payment and performance and account
30 history, product references, purchase information, and
31 information related to the identity of the customer.

32 (b) (1) For purposes of this paragraph (19) of
33 subsection (b) of Section 48.1, a "private label credit
34 program" means a credit program involving a financial

1 institution and a private label party that is used by a
2 customer of the financial institution and the private
3 label party primarily for payment for goods or services
4 sold, manufactured, or distributed by a private label
5 party.

6 (2) For purposes of this paragraph (19) of
7 subsection (b) of Section 48.1, a "private label party"
8 means, with respect to a private label credit program,
9 any of the following: a retailer, a merchant, a
10 manufacturer, a trade group, or any such person's
11 affiliate, subsidiary, member, agent, or service
12 provider.

13 (c) Except as otherwise provided by this Act, a bank may
14 not disclose to any person, except to the customer or his
15 duly authorized agent, any financial records or financial
16 information obtained from financial records relating to that
17 customer of that bank unless:

18 (1) the customer has authorized disclosure to the
19 person;

20 (2) the financial records are disclosed in response
21 to a lawful subpoena, summons, warrant or court order
22 which meets the requirements of subsection (d) of this
23 Section; or

24 (3) the bank is attempting to collect an obligation
25 owed to the bank and the bank complies with the
26 provisions of Section 2I of the Consumer Fraud and
27 Deceptive Business Practices Act.

28 (d) A bank shall disclose financial records under
29 paragraph (2) of subsection (c) of this Section under a
30 lawful subpoena, summons, warrant, or court order only after
31 the bank mails a copy of the subpoena, summons, warrant, or
32 court order to the person establishing the relationship with
33 the bank, if living, and, otherwise his personal
34 representative, if known, at his last known address by first

1 class mail, postage prepaid, unless the bank is specifically
2 prohibited from notifying the person by order of court or by
3 applicable State or federal law. A bank shall not mail a
4 copy of a subpoena to any person pursuant to this subsection
5 if the subpoena was issued by a grand jury under the
6 Statewide Grand Jury Act.

7 (e) Any officer or employee of a bank who knowingly and
8 willfully furnishes financial records in violation of this
9 Section is guilty of a business offense and, upon conviction,
10 shall be fined not more than \$1,000.

11 (f) Any person who knowingly and willfully induces or
12 attempts to induce any officer or employee of a bank to
13 disclose financial records in violation of this Section is
14 guilty of a business offense and, upon conviction, shall be
15 fined not more than \$1,000.

16 (g) A bank shall be reimbursed for costs that are
17 reasonably necessary and that have been directly incurred in
18 searching for, reproducing, or transporting books, papers,
19 records, or other data of a customer required or requested to
20 be produced pursuant to a lawful subpoena, summons, warrant,
21 or court order. The Commissioner shall determine the rates
22 and conditions under which payment may be made.

23 (Source: P.A. 91-330, eff. 7-29-99; 91-929, eff. 12-15-00;
24 92-483, eff. 8-23-01.)

25 Section 10. The Illinois Savings and Loan Act of 1985 is
26 amended by changing Section 3-8 as follows:

27 (205 ILCS 105/3-8) (from Ch. 17, par. 3303-8)

28 Sec. 3-8. Access to books and records; communication
29 with members.

30 (a) Every member or holder of capital shall have the
31 right to inspect the books and records of the association
32 that pertain to his account. Otherwise, the right of

1 inspection and examination of the books and records shall be
2 limited as provided in this Act, and no other person shall
3 have access to the books and records or shall be entitled to
4 a list of the members.

5 (b) For the purpose of this Section, the term "financial
6 records" means any original, any copy, or any summary of (i)
7 a document granting signature authority over a deposit or
8 account; (ii) a statement, ledger card, or other record on
9 any deposit or account that shows each transaction in or with
10 respect to that account; (iii) a check, draft, or money order
11 drawn on an association or issued and payable by an
12 association; or (iv) any other item containing information
13 pertaining to any relationship established in the ordinary
14 course of an association's business between an association
15 and its customer, including financial statements or other
16 financial information provided by the member or holder of
17 capital.

18 (c) This Section does not prohibit:

19 (1) The preparation, examination, handling, or
20 maintenance of any financial records by any officer,
21 employee, or agent of an association having custody of
22 those records or the examination of those records by a
23 certified public accountant engaged by the association to
24 perform an independent audit.

25 (2) The examination of any financial records by, or
26 the furnishing of financial records by an association to,
27 any officer, employee, or agent of the Commissioner of
28 Banks and Real Estate, Federal Savings and Loan Insurance
29 Corporation and its successors, Federal Deposit Insurance
30 Corporation, Resolution Trust Corporation and its
31 successors, Federal Home Loan Bank Board and its
32 successors, Office of Thrift Supervision, Federal Housing
33 Finance Board, Board of Governors of the Federal Reserve
34 System, any Federal Reserve Bank, or the Office of the

1 Comptroller of the Currency for use solely in the
2 exercise of his duties as an officer, employee, or agent.

3 (3) The publication of data furnished from
4 financial records relating to members or holders of
5 capital where the data cannot be identified to any
6 particular member, holder of capital, or account.

7 (4) The making of reports or returns required under
8 Chapter 61 of the Internal Revenue Code of 1986.

9 (5) Furnishing information concerning the dishonor
10 of any negotiable instrument permitted to be disclosed
11 under the Uniform Commercial Code.

12 (6) The exchange in the regular course of business
13 of (i) credit information between an association and
14 other associations or financial institutions or
15 commercial enterprises, directly or through a consumer
16 reporting agency or (ii) financial records or information
17 derived from financial records between an association and
18 other associations or financial institutions or
19 commercial enterprises for the purpose of conducting due
20 diligence pursuant to a purchase or sale involving the
21 association or assets or liabilities of the association.

22 (7) The furnishing of information to the
23 appropriate law enforcement authorities where the
24 association reasonably believes it has been the victim of
25 a crime.

26 (8) The furnishing of information pursuant to the
27 Uniform Disposition of Unclaimed Property Act.

28 (9) The furnishing of information pursuant to the
29 Illinois Income Tax Act and the Illinois Estate and
30 Generation-Skipping Transfer Tax Act.

31 (10) The furnishing of information pursuant to the
32 federal "Currency and Foreign Transactions Reporting
33 Act", (Title 31, United States Code, Section 1051 et
34 seq.).

1 (11) The furnishing of information pursuant to any
2 other statute that by its terms or by regulations
3 promulgated thereunder requires the disclosure of
4 financial records other than by subpoena, summons,
5 warrant, or court order.

6 (12) The exchange of information between an
7 association and an affiliate of the association; as used
8 in this item, "affiliate" includes any company,
9 partnership, or organization that controls, is controlled
10 by, or is under common control with an association.

11 (13) The furnishing of information in accordance
12 with the federal Personal Responsibility and Work
13 Opportunity Reconciliation Act of 1996. Any association
14 governed by this Act shall enter into an agreement for
15 data exchanges with a State agency provided the State
16 agency pays to the association a reasonable fee not to
17 exceed its actual cost incurred. An association
18 providing information in accordance with this item shall
19 not be liable to any account holder or other person for
20 any disclosure of information to a State agency, for
21 encumbering or surrendering any assets held by the
22 association in response to a lien or order to withhold
23 and deliver issued by a State agency, or for any other
24 action taken pursuant to this item, including individual
25 or mechanical errors, provided the action does not
26 constitute gross negligence or willful misconduct. An
27 association shall have no obligation to hold, encumber,
28 or surrender assets until it has been served with a
29 subpoena, summons, warrant, court or administrative
30 order, lien, or levy.

31 (14) The furnishing of information to law
32 enforcement authorities, the Illinois Department on Aging
33 and its regional administrative and provider agencies,
34 the Department of Human Services Office of Inspector

1 General, or public guardians, if the association suspects
2 that a customer who is an elderly or disabled person has
3 been or may become the victim of financial exploitation.
4 For the purposes of this item (14), the term: (i)
5 "elderly person" means a person who is 60 or more years
6 of age, (ii) "disabled person" means a person who has or
7 reasonably appears to the association to have a physical
8 or mental disability that impairs his or her ability to
9 seek or obtain protection from or prevent financial
10 exploitation, and (iii) "financial exploitation" means
11 tortious or illegal use of the assets or resources of an
12 elderly or disabled person, and includes, without
13 limitation, misappropriation of the elderly or disabled
14 person's assets or resources by undue influence, breach
15 of fiduciary relationship, intimidation, fraud,
16 deception, extortion, or the use of assets or resources
17 in any manner contrary to law. An association or person
18 furnishing information pursuant to this item (14) shall
19 be entitled to the same rights and protections as a
20 person furnishing information under the Elder Abuse and
21 Neglect Act and the Illinois Domestic Violence Act of
22 1986.

23 (15) The disclosure of financial records or
24 information as necessary to effect, administer, or
25 enforce a transaction requested or authorized by the
26 member or holder of capital, or in connection with:

27 (A) servicing or processing a financial
28 product or service requested or authorized by the
29 member or holder of capital;

30 (B) maintaining or servicing an account of a
31 member or holder of capital with the association; or

32 (C) a proposed or actual securitization or
33 secondary market sale (including sales of servicing
34 rights) related to a transaction of a member or

1 holder of capital.

2 Nothing in this item (15), however, authorizes the
3 sale of the financial records or information of a member
4 or holder of capital without the consent of the member or
5 holder of capital.

6 (16) The disclosure of financial records or
7 information as necessary to protect against or prevent
8 actual or potential fraud, unauthorized transactions,
9 claims, or other liability.

10 (17) (a) The disclosure of financial records or
11 information related to a private label credit program
12 between a financial institution and a private label party
13 in connection with that private label credit program.
14 Such information is limited to outstanding balance,
15 available credit, payment and performance and account
16 history, product references, purchase information, and
17 information related to the identity of the customer.

18 (b) (1) For purposes of this paragraph (17) of
19 subsection (c) of Section 3-8, a "private label credit
20 program" means a credit program involving a financial
21 institution and a private label party that is used by a
22 customer of the financial institution and the private
23 label party primarily for payment for goods or services
24 sold, manufactured, or distributed by a private label
25 party.

26 (2) For purposes of this paragraph (17) of
27 subsection (c) of Section 3-8, a "private label party"
28 means, with respect to a private label credit program,
29 any of the following: a retailer, a merchant, a
30 manufacturer, a trade group, or any such person's
31 affiliate, subsidiary, member, agent, or service
32 provider.

33 (d) An association may not disclose to any person,
34 except to the member or holder of capital or his duly

1 authorized agent, any financial records relating to that
2 member or holder of capital of that association unless:

3 (1) The member or holder of capital has authorized
4 disclosure to the person; or

5 (2) The financial records are disclosed in response
6 to a lawful subpoena, summons, warrant, or court order
7 that meets the requirements of subsection (e) of this
8 Section.

9 (e) An association shall disclose financial records
10 under subsection (d) of this Section pursuant to a lawful
11 subpoena, summons, warrant, or court order only after the
12 association mails a copy of the subpoena, summons, warrant,
13 or court order to the person establishing the relationship
14 with the association, if living, and, otherwise, his personal
15 representative, if known, at his last known address by first
16 class mail, postage prepaid, unless the association is
17 specifically prohibited from notifying that person by order
18 of court.

19 (f) (1) Any officer or employee of an association who
20 knowingly and willfully furnishes financial records in
21 violation of this Section is guilty of a business offense
22 and, upon conviction, shall be fined not more than \$1,000.

23 (2) Any person who knowingly and willfully induces or
24 attempts to induce any officer or employee of an association
25 to disclose financial records in violation of this Section is
26 guilty of a business offense and, upon conviction, shall be
27 fined not more than \$1,000.

28 (g) However, if any member desires to communicate with
29 the other members of the association with reference to any
30 question pending or to be presented at a meeting of the
31 members, the association shall give him upon request a
32 statement of the approximate number of members entitled to
33 vote at the meeting and an estimate of the cost of preparing
34 and mailing the communication. The requesting member then

1 shall submit the communication to the Commissioner who, if he
2 finds it to be appropriate and truthful, shall direct that it
3 be prepared and mailed to the members upon the requesting
4 member's payment or adequate provision for payment of the
5 expenses of preparation and mailing.

6 (h) An association shall be reimbursed for costs that
7 are necessary and that have been directly incurred in
8 searching for, reproducing, or transporting books, papers,
9 records, or other data of a customer required to be
10 reproduced pursuant to a lawful subpoena, warrant, or court
11 order.

12 (Source: P.A. 91-929, eff. 12-15-00; 92-483, eff. 8-23-01.)

13 Section 15. The Savings Bank Act is amended by changing
14 Section 4013 as follows:

15 (205 ILCS 205/4013) (from Ch. 17, par. 7304-13)

16 Sec. 4013. Access to books and records; communication
17 with members and shareholders.

18 (a) Every member or shareholder shall have the right to
19 inspect books and records of the savings bank that pertain to
20 his accounts. Otherwise, the right of inspection and
21 examination of the books and records shall be limited as
22 provided in this Act, and no other person shall have access
23 to the books and records nor shall be entitled to a list of
24 the members or shareholders.

25 (b) For the purpose of this Section, the term "financial
26 records" means any original, any copy, or any summary of (1)
27 a document granting signature authority over a deposit or
28 account; (2) a statement, ledger card, or other record on any
29 deposit or account that shows each transaction in or with
30 respect to that account; (3) a check, draft, or money order
31 drawn on a savings bank or issued and payable by a savings
32 bank; or (4) any other item containing information pertaining

1 to any relationship established in the ordinary course of a
2 savings bank's business between a savings bank and its
3 customer, including financial statements or other financial
4 information provided by the member or shareholder.

5 (c) This Section does not prohibit:

6 (1) The preparation examination, handling, or
7 maintenance of any financial records by any officer,
8 employee, or agent of a savings bank having custody of
9 records or examination of records by a certified public
10 accountant engaged by the savings bank to perform an
11 independent audit.

12 (2) The examination of any financial records by, or
13 the furnishing of financial records by a savings bank to,
14 any officer, employee, or agent of the Commissioner of
15 Banks and Real Estate or the Federal Deposit Insurance
16 Corporation for use solely in the exercise of his duties
17 as an officer, employee, or agent.

18 (3) The publication of data furnished from
19 financial records relating to members or holders of
20 capital where the data cannot be identified to any
21 particular member, shareholder, or account.

22 (4) The making of reports or returns required under
23 Chapter 61 of the Internal Revenue Code of 1986.

24 (5) Furnishing information concerning the dishonor
25 of any negotiable instrument permitted to be disclosed
26 under the Uniform Commercial Code.

27 (6) The exchange in the regular course of business
28 of (i) credit information between a savings bank and
29 other savings banks or financial institutions or
30 commercial enterprises, directly or through a consumer
31 reporting agency or (ii) financial records or information
32 derived from financial records between a savings bank and
33 other savings banks or financial institutions or
34 commercial enterprises for the purpose of conducting due

1 diligence pursuant to a purchase or sale involving the
2 savings bank or assets or liabilities of the savings
3 bank.

4 (7) The furnishing of information to the
5 appropriate law enforcement authorities where the savings
6 bank reasonably believes it has been the victim of a
7 crime.

8 (8) The furnishing of information pursuant to the
9 Uniform Disposition of Unclaimed Property Act.

10 (9) The furnishing of information pursuant to the
11 Illinois Income Tax Act and the Illinois Estate and
12 Generation-Skipping Transfer Tax Act.

13 (10) The furnishing of information pursuant to the
14 federal "Currency and Foreign Transactions Reporting
15 Act", (Title 31, United States Code, Section 1051 et
16 seq.).

17 (11) The furnishing of information pursuant to any
18 other statute which by its terms or by regulations
19 promulgated thereunder requires the disclosure of
20 financial records other than by subpoena, summons,
21 warrant, or court order.

22 (12) The furnishing of information in accordance
23 with the federal Personal Responsibility and Work
24 Opportunity Reconciliation Act of 1996. Any savings bank
25 governed by this Act shall enter into an agreement for
26 data exchanges with a State agency provided the State
27 agency pays to the savings bank a reasonable fee not to
28 exceed its actual cost incurred. A savings bank
29 providing information in accordance with this item shall
30 not be liable to any account holder or other person for
31 any disclosure of information to a State agency, for
32 encumbering or surrendering any assets held by the
33 savings bank in response to a lien or order to withhold
34 and deliver issued by a State agency, or for any other

1 action taken pursuant to this item, including individual
2 or mechanical errors, provided the action does not
3 constitute gross negligence or willful misconduct. A
4 savings bank shall have no obligation to hold, encumber,
5 or surrender assets until it has been served with a
6 subpoena, summons, warrant, court or administrative
7 order, lien, or levy.

8 (13) The furnishing of information to law
9 enforcement authorities, the Illinois Department on Aging
10 and its regional administrative and provider agencies,
11 the Department of Human Services Office of Inspector
12 General, or public guardians, if the savings bank
13 suspects that a customer who is an elderly or disabled
14 person has been or may become the victim of financial
15 exploitation. For the purposes of this item (13), the
16 term: (i) "elderly person" means a person who is 60 or
17 more years of age, (ii) "disabled person" means a person
18 who has or reasonably appears to the savings bank to have
19 a physical or mental disability that impairs his or her
20 ability to seek or obtain protection from or prevent
21 financial exploitation, and (iii) "financial
22 exploitation" means tortious or illegal use of the assets
23 or resources of an elderly or disabled person, and
24 includes, without limitation, misappropriation of the
25 elderly or disabled person's assets or resources by undue
26 influence, breach of fiduciary relationship,
27 intimidation, fraud, deception, extortion, or the use of
28 assets or resources in any manner contrary to law. A
29 savings bank or person furnishing information pursuant to
30 this item (13) shall be entitled to the same rights and
31 protections as a person furnishing information under the
32 Elder Abuse and Neglect Act and the Illinois Domestic
33 Violence Act of 1986.

34 (14) The disclosure of financial records or

1 information as necessary to effect, administer, or
2 enforce a transaction requested or authorized by the
3 member or holder of capital, or in connection with:

4 (A) servicing or processing a financial
5 product or service requested or authorized by the
6 member or holder of capital;

7 (B) maintaining or servicing an account of a
8 member or holder of capital with the savings bank;
9 or

10 (C) a proposed or actual securitization or
11 secondary market sale (including sales of servicing
12 rights) related to a transaction of a member or
13 holder of capital.

14 Nothing in this item (14), however, authorizes the
15 sale of the financial records or information of a member
16 or holder of capital without the consent of the member or
17 holder of capital.

18 (15) The exchange in the regular course of business
19 of information between a savings bank and any commonly
20 owned affiliate of the savings bank, subject to the
21 provisions of the Financial Institutions Insurance Sales
22 Law.

23 (16) The disclosure of financial records or
24 information as necessary to protect against or prevent
25 actual or potential fraud, unauthorized transactions,
26 claims, or other liability.

27 (17) (a) The disclosure of financial records or
28 information related to a private label credit program
29 between a financial institution and a private label party
30 in connection with that private label credit program.
31 Such information is limited to outstanding balance,
32 available credit, payment and performance and account
33 history, product references, purchase information, and
34 information related to the identity of the customer.

1 (b) (1) For purposes of this paragraph (17) of
2 subsection (c) of Section 4013, a "private label credit
3 program" means a credit program involving a financial
4 institution and a private label party that is used by a
5 customer of the financial institution and the private
6 label party primarily for payment for goods or services
7 sold, manufactured, or distributed by a private label
8 party.

9 (2) For purposes of this paragraph (17) of
10 subsection (c) of Section 4013, a "private label party"
11 means, with respect to a private label credit program,
12 any of the following: a retailer, a merchant, a
13 manufacturer, a trade group, or any such person's
14 affiliate, subsidiary, member, agent, or service
15 provider.

16 (d) A savings bank may not disclose to any person,
17 except to the member or holder of capital or his duly
18 authorized agent, any financial records relating to that
19 member or shareholder of the savings bank unless:

20 (1) the member or shareholder has authorized
21 disclosure to the person; or

22 (2) the financial records are disclosed in response
23 to a lawful subpoena, summons, warrant, or court order
24 that meets the requirements of subsection (e) of this
25 Section.

26 (e) A savings bank shall disclose financial records
27 under subsection (d) of this Section pursuant to a lawful
28 subpoena, summons, warrant, or court order only after the
29 savings bank mails a copy of the subpoena, summons, warrant,
30 or court order to the person establishing the relationship
31 with the savings bank, if living, and otherwise, his personal
32 representative, if known, at his last known address by first
33 class mail, postage prepaid, unless the savings bank is
34 specifically prohibited from notifying the person by order of

1 court.

2 (f) Any officer or employee of a savings bank who
3 knowingly and willfully furnishes financial records in
4 violation of this Section is guilty of a business offense
5 and, upon conviction, shall be fined not more than \$1,000.

6 (g) Any person who knowingly and willfully induces or
7 attempts to induce any officer or employee of a savings bank
8 to disclose financial records in violation of this Section is
9 guilty of a business offense and, upon conviction, shall be
10 fined not more than \$1,000.

11 (h) If any member or shareholder desires to communicate
12 with the other members or shareholders of the savings bank
13 with reference to any question pending or to be presented at
14 an annual or special meeting, the savings bank shall give
15 that person, upon request, a statement of the approximate
16 number of members or shareholders entitled to vote at the
17 meeting and an estimate of the cost of preparing and mailing
18 the communication. The requesting member shall submit the
19 communication to the Commissioner who, upon finding it to be
20 appropriate and truthful, shall direct that it be prepared
21 and mailed to the members upon the requesting member's or
22 shareholder's payment or adequate provision for payment of
23 the expenses of preparation and mailing.

24 (i) A savings bank shall be reimbursed for costs that
25 are necessary and that have been directly incurred in
26 searching for, reproducing, or transporting books, papers,
27 records, or other data of a customer required to be
28 reproduced pursuant to a lawful subpoena, warrant, or court
29 order.

30 (j) Notwithstanding the provisions of this Section, a
31 savings bank may sell or otherwise make use of lists of
32 customers' names and addresses. All other information
33 regarding a customer's account are subject to the disclosure
34 provisions of this Section. At the request of any customer,

1 that customer's name and address shall be deleted from any
2 list that is to be sold or used in any other manner beyond
3 identification of the customer's accounts.

4 (Source: P.A. 91-929, eff. 12-15-00; 92-483, eff. 8-23-01.)

5 Section 20. The Illinois Credit Union Act is amended by
6 changing Section 10 as follows:

7 (205 ILCS 305/10) (from Ch. 17, par. 4411)

8 Sec. 10. Credit union records; member financial records.

9 (1) A credit union shall establish and maintain books,
10 records, accounting systems and procedures which accurately
11 reflect its operations and which enable the Department to
12 readily ascertain the true financial condition of the credit
13 union and whether it is complying with this Act.

14 (2) A photostatic or photographic reproduction of any
15 credit union records shall be admissible as evidence of
16 transactions with the credit union.

17 (3) (a) For the purpose of this Section, the term
18 "financial records" means any original, any copy, or any
19 summary of (1) a document granting signature authority
20 over an account, (2) a statement, ledger card or other
21 record on any account which shows each transaction in or
22 with respect to that account, (3) a check, draft or money
23 order drawn on a financial institution or other entity or
24 issued and payable by or through a financial institution
25 or other entity, or (4) any other item containing
26 information pertaining to any relationship established in
27 the ordinary course of business between a credit union
28 and its member, including financial statements or other
29 financial information provided by the member.

30 (b) This Section does not prohibit:

31 (1) The preparation, examination, handling or
32 maintenance of any financial records by any officer,

1 employee or agent of a credit union having custody
2 of such records, or the examination of such records
3 by a certified public accountant engaged by the
4 credit union to perform an independent audit.

5 (2) The examination of any financial records
6 by or the furnishing of financial records by a
7 credit union to any officer, employee or agent of
8 the Department, the National Credit Union
9 Administration, Federal Reserve board or any insurer
10 of share accounts for use solely in the exercise of
11 his duties as an officer, employee or agent.

12 (3) The publication of data furnished from
13 financial records relating to members where the data
14 cannot be identified to any particular customer of
15 account.

16 (4) The making of reports or returns required
17 under Chapter 61 of the Internal Revenue Code of
18 1954.

19 (5) Furnishing information concerning the
20 dishonor of any negotiable instrument permitted to
21 be disclosed under the Uniform Commercial Code.

22 (6) The exchange in the regular course of
23 business of (i) credit information between a credit
24 union and other credit unions or financial
25 institutions or commercial enterprises, directly or
26 through a consumer reporting agency or (ii)
27 financial records or information derived from
28 financial records between a credit union and other
29 credit unions or financial institutions or
30 commercial enterprises for the purpose of conducting
31 due diligence pursuant to a merger or a purchase or
32 sale of assets or liabilities of the credit union.

33 (7) The furnishing of information to the
34 appropriate law enforcement authorities where the

1 credit union reasonably believes it has been the
2 victim of a crime.

3 (8) The furnishing of information pursuant to
4 the Uniform Disposition of Unclaimed Property Act.

5 (9) The furnishing of information pursuant to
6 the Illinois Income Tax Act and the Illinois Estate
7 and Generation-Skipping Transfer Tax Act.

8 (10) The furnishing of information pursuant to
9 the federal "Currency and Foreign Transactions
10 Reporting Act", Title 31, United States Code,
11 Section 1051 et sequentia.

12 (11) The furnishing of information pursuant to
13 any other statute which by its terms or by
14 regulations promulgated thereunder requires the
15 disclosure of financial records other than by
16 subpoena, summons, warrant or court order.

17 (12) The furnishing of information in
18 accordance with the federal Personal Responsibility
19 and Work Opportunity Reconciliation Act of 1996. Any
20 credit union governed by this Act shall enter into
21 an agreement for data exchanges with a State agency
22 provided the State agency pays to the credit union a
23 reasonable fee not to exceed its actual cost
24 incurred. A credit union providing information in
25 accordance with this item shall not be liable to any
26 account holder or other person for any disclosure of
27 information to a State agency, for encumbering or
28 surrendering any assets held by the credit union in
29 response to a lien or order to withhold and deliver
30 issued by a State agency, or for any other action
31 taken pursuant to this item, including individual or
32 mechanical errors, provided the action does not
33 constitute gross negligence or willful misconduct. A
34 credit union shall have no obligation to hold,

1 encumber, or surrender assets until it has been
2 served with a subpoena, summons, warrant, court or
3 administrative order, lien, or levy.

4 (13) The furnishing of information to law
5 enforcement authorities, the Illinois Department on
6 Aging and its regional administrative and provider
7 agencies, the Department of Human Services Office of
8 Inspector General, or public guardians, if the
9 credit union suspects that a member who is an
10 elderly or disabled person has been or may become
11 the victim of financial exploitation. For the
12 purposes of this item (13), the term: (i) "elderly
13 person" means a person who is 60 or more years of
14 age, (ii) "disabled person" means a person who has
15 or reasonably appears to the credit union to have a
16 physical or mental disability that impairs his or
17 her ability to seek or obtain protection from or
18 prevent financial exploitation, and (iii) "financial
19 exploitation" means tortious or illegal use of the
20 assets or resources of an elderly or disabled
21 person, and includes, without limitation,
22 misappropriation of the elderly or disabled person's
23 assets or resources by undue influence, breach of
24 fiduciary relationship, intimidation, fraud,
25 deception, extortion, or the use of assets or
26 resources in any manner contrary to law. A credit
27 union or person furnishing information pursuant to
28 this item (13) shall be entitled to the same rights
29 and protections as a person furnishing information
30 under the Elder Abuse and Neglect Act and the
31 Illinois Domestic Violence Act of 1986.

32 (14) The disclosure of financial records or
33 information as necessary to effect, administer, or
34 enforce a transaction requested or authorized by the

1 member, or in connection with:

2 (A) servicing or processing a financial
3 product or service requested or authorized by
4 the member;

5 (B) maintaining or servicing a member's
6 account with the credit union; or

7 (C) a proposed or actual securitization
8 or secondary market sale (including sales of
9 servicing rights) related to a transaction of a
10 member.

11 Nothing in this item (14), however, authorizes
12 the sale of the financial records or information of
13 a member without the consent of the member.

14 (15) The disclosure of financial records or
15 information as necessary to protect against or
16 prevent actual or potential fraud, unauthorized
17 transactions, claims, or other liability.

18 (16) (a) The disclosure of financial records
19 or information related to a private label credit
20 program between a financial institution and a
21 private label party in connection with that private
22 label credit program. Such information is limited to
23 outstanding balance, available credit, payment and
24 performance and account history, product references,
25 purchase information, and information related to the
26 identity of the customer.

27 (b) (1) For purposes of this paragraph (16) of
28 subsection (b) of Section 10, a "private label
29 credit program" means a credit program involving a
30 financial institution and a private label party that
31 is used by a customer of the financial institution
32 and the private label party primarily for payment
33 for goods or services sold, manufactured, or
34 distributed by a private label party.

1 (2) For purposes of this paragraph (16) of
2 subsection (b) of Section 10, a "private label
3 party" means, with respect to a private label credit
4 program, any of the following: a retailer, a
5 merchant, a manufacturer, a trade group, or any such
6 person's affiliate, subsidiary, member, agent, or
7 service provider.

8 (c) Except as otherwise provided by this Act, a
9 credit union may not disclose to any person, except to
10 the member or his duly authorized agent, any financial
11 records relating to that member of the credit union
12 unless:

13 (1) the member has authorized disclosure to
14 the person;

15 (2) the financial records are disclosed in
16 response to a lawful subpoena, summons, warrant or
17 court order that meets the requirements of
18 subparagraph (d) of this Section; or

19 (3) the credit union is attempting to collect
20 an obligation owed to the credit union and the
21 credit union complies with the provisions of Section
22 2I of the Consumer Fraud and Deceptive Business
23 Practices Act.

24 (d) A credit union shall disclose financial records
25 under subparagraph (c)(2) of this Section pursuant to a
26 lawful subpoena, summons, warrant or court order only
27 after the credit union mails a copy of the subpoena,
28 summons, warrant or court order to the person
29 establishing the relationship with the credit union, if
30 living, and otherwise his personal representative, if
31 known, at his last known address by first class mail,
32 postage prepaid unless the credit union is specifically
33 prohibited from notifying the person by order of court or
34 by applicable State or federal law. In the case of a

1 grand jury subpoena, a credit union shall not mail a copy
2 of a subpoena to any person pursuant to this subsection
3 if the subpoena was issued by a grand jury under the
4 Statewide Grand Jury Act or notifying the person would
5 constitute a violation of the federal Right to Financial
6 Privacy Act of 1978.

7 (e) (1) Any officer or employee of a credit union
8 who knowingly and wilfully furnishes financial
9 records in violation of this Section is guilty of a
10 business offense and upon conviction thereof shall
11 be fined not more than \$1,000.

12 (2) Any person who knowingly and wilfully
13 induces or attempts to induce any officer or
14 employee of a credit union to disclose financial
15 records in violation of this Section is guilty of a
16 business offense and upon conviction thereof shall
17 be fined not more than \$1,000.

18 (f) A credit union shall be reimbursed for costs
19 which are reasonably necessary and which have been
20 directly incurred in searching for, reproducing or
21 transporting books, papers, records or other data of a
22 member required or requested to be produced pursuant to a
23 lawful subpoena, summons, warrant or court order. The
24 Director may determine, by rule, the rates and conditions
25 under which payment shall be made. Delivery of requested
26 documents may be delayed until final reimbursement of all
27 costs is received.

28 (Source: P.A. 91-929, eff. 12-15-00; 92-293, eff. 8-9-01;
29 92-483, eff. 8-23-01.)".