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LGPD in Financial Institutions

What will the impact be?

Banks use personal data on a large scale, and are subject to extensive sectoral regulation, which includes the control of their clients' personal information and the prevention of money laundering activities. Therefore, the challenge in relation to the LGPD will be to reconcile the obligations of the law with all the others that affect financial institutions.

What are the main issues to be aware of?

1. Collection of personal data by correspondent banking
2. Monitoring of IT service providers
3. Know your client policy, with client registration data
4. Data sharing, as well as with companies in the same group
5. Use of data for a variety of purposes, especially commercial
6. Interaction with credit bureaus

LGPD can be reconciled with user experience

Compliance **should not make the use of apps a laborious experience**, with the excessive collection of permissions, for example.

Creative solutions must be sought to ensure flows and processes comply without harming the user experience.

Tips for complying with the LGPD

- Establish new policies for data collection by correspondent banking
- Implement a data anonymization procedure, whenever possible
- Maintain a service channel for requests from data subjects
- Ensure transparency in privacy notices/policies
- Reviewing employees' internal control measures to prevent money laundering
- Structure the DPO's function by evaluating the skills needed for the position
- Review the criteria for contracting suppliers (observing Resolution 4,658/2018)
- Legally evaluate the possibility of using data for activities that go beyond the contracted service