



ANDMEKAITSE INSPEKTSIOON

FOR THE PROTECTION OF PRIVACY AND TRANSPARENCY OF THE STATE

FOR INTERNAL USE

Holder of Information: Estonian Data Protection  
Inspectorate

Notation made: 29 July 2019

Access restriction is valid until: 29 July 2094

Basis: clause 35 (1) 12) of the Public Information Act

Dear [REDACTED]

Ref.: 13 March 2019

Ref.: 29 July 2019 No. 2.1.-1/19/483

**Notice of termination of the proceeding in regard to the protection of personal data**

Proceedings are closed at the Estonian Data Protection Inspectorate concerning the complaint you submitted on the activities of [REDACTED] (hereinafter [REDACTED]). In your complaint, you pointed out that your personal data was transferred to [REDACTED] third party on [REDACTED] (hereinafter [REDACTED]) without a legal basis to do so.

The Data Protection Inspectorate initiated a national supervisory review proceeding concerning the data controller. In their reply, the controller has confirmed that they have forwarded your personal data lawfully:

*The person was a client of [REDACTED] who ordered [REDACTED] by signing a service provision contract with the [REDACTED] on 27 July 2012. On 13 July 2018, the client sent an application for the termination of the contract to [REDACTED]. At the end of the contract, the client owed a debt of 14.73 euros to the [REDACTED]. On 25 August 2018, 8 August 2018 and 22 August 2018, messages were sent to the client as reminders (Annex 1) of the debt, including information on how to pay the debt. On the two following occasions, on 31 August 2018 and 16 October 2018, we explained that if the debt is not paid, the debt claim will be forwarded to the claimant [REDACTED].*

*Clause 12.3 of the Contract concluded with the client stipulates that the [REDACTED] has the right to transfer, without consent from the client, its contractual rights and obligations to third parties, if that the transfer does not adversely affect the rights of the client. The client's rights have not been impaired, as it was agreed upon, during the conclusion of the contract, that the client will be provided a service and the [REDACTED] shall receive a fee for the provision of the service. If the debt for the service remains [REDACTED] the service provider has the right to demand the payment of debt, with which the client had to take into account when signing the contract.*

*The client has also agreed to the privacy policy of [REDACTED] (clause 12.4 of the contract stipulates that the [REDACTED] will process personal data in accordance with the privacy policy), which clearly states that, in order to perform the contract concluded with the client (Article 6 (1) (b) of the General Data Protection Regulation), we use the client's data, inter alia, in the event of a delay in the fulfilment of a financial obligation arising from the client's contract to provide information concerning the client and their debt (given name, surname, personal identification code, amount of debt, delay time, creditor, etc.) to the processor of the credit database and/or persons handling debts and, in the case of assignment of the right of claim, to a new creditor. The data will be forwarded for the purpose of disclosure in the relevant credit register. If the client has liquidated their debt, they have the right to demand that the respective persons terminate the processing of the client's personal data.*

*In addition to provisions concerning the disclosure of data, the privacy policy also stipulated that we can use third party enterprises who provide services to us, e.g. who provide infrastructure and IT services (incl. storing data, forwarding of data, monitoring quality), process credit card transactions, provide customer service, carry out recovery of debts, collect data for debt analysis and improvement of data, as well as concerning client inquiries, and conduct other statistical analyses. These enterprises may have access to client data in order to provide their services. We do not authorize these companies to use or disclose the client's personal data, except in order to provide the services we require.*

*The invoices submitted to the client (attached to the letter of the Lithuanian Data Protection Inspectorate) also state that if the invoice is not paid, the claim procedure for claiming payment of the invoice will be forwarded to [REDACTED]. Therefore, the [REDACTED] has repeatedly stressed in the contract, privacy policy, invoice and reminders that if the debt is not paid, the claim procedure will be forwarded to [REDACTED]. The client failed to pay the debt, after which the [REDACTED] transferred the debt to the debtor, in this case to [REDACTED]. In a letter of debt receipt by [REDACTED] to the person, it has also been explained that [REDACTED] will process the person's person in accordance with the contract concluded with [REDACTED] and based on legitimate interest for the purpose of recovering the debt.*

*Concerning the appellant, the following data was provided to [REDACTED] client number, plan, personal identification code, first name, surname, address, e-mail, mobile number, time of conclusion of the contract, date and manner of sending the reminders of arrears, invoice details, debt.*

*The [REDACTED] has compiled a privacy policy (data processing principles), which is accessible on the [REDACTED]. A sample of the contract can be [REDACTED].*

Separately, the data controller informed the Inspectorate that the appellant had not approached them directly. The Inspectorate explains that, in general, with regard to procedural economics, only those complaints where the parties have not reached an agreement with each other or the person has not received a reply to their inquiry should be sent to the Inspectorate.

The Inspectorate also explains that with regard to processing of personal data, it only assesses whether the transfer of personal data has been lawful, not the lawfulness of the debt claim. The Estonian Data Protection Inspectorate does not have the competence to assess whether the debts of individuals against the creditor have arisen lawfully, what the claims consist of, whether or not the debt has actually been liquidated, whether or not the rules for the assignment of the claim have been complied with, as those are disputes that arise from contractual relations. Settlement of contractual disputes between private parties is a matter for the civil court. Law enforcement agencies cannot and are not obligated to be unable to identify the actual legal relationships between individuals, in each case, which may be very difficult when resolving in private disputes.<sup>1</sup> If the appellant finds that the creditor has violated the law in concluding, executing or assigning loan agreements, they have the right to bring the action before the court.

A similar conclusion was reached by the Tallinn Administrative Court on 22 March 2011 in its judgment No 3-10-994. In that judgment, the court held that the Data Protection Inspectorate had no legal competence to settle disputes arising from contractual relations, including the assessment thereof. The court noted that the Data Protection Inspectorate is a supervisory authority of the state that is competent to monitor compliance with the Personal Data Protection Act and legislation established on the basis thereof, and to conduct proceedings of the violations arising therefrom.

The Inspectorate has established that the person has been informed in the contract that was concluded with them that their personal data will be transferred upon the occurrence of a debt. The contract of personal data processing and [REDACTED] General Data Protection Regulation has been signed between [REDACTED] and [REDACTED]. In addition, the privacy policy also includes information regarding [REDACTED] the name of a particular legal entity is indicated in the invoices provided to the client. With this, the data controller has fulfilled every possible obligation to inform the person.

The transmission of data for the recovery of debt claims is a common practice for large enterprises and had to be acknowledged by the individual at the time of concluding the contract; same applies to the fact that the parties are able to settle any contractual disputes that they are not able to resolve among themselves in the court.

Inspection did not identify any violations by the data controller, and the national supervisory review proceeding is therefore terminated.

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<sup>1</sup> Page 20 of the explanatory memorandum of the Draft of the Law Enforcement Act.

According to [Administrative Procedure Act](#) article 75 a challenge concerning an administrative act or measure shall be filed within thirty days as of the day when a person becomes or should become aware of the challenged administrative act or measure.

Kind regards

