



REPUBLIC OF ESTONIA
DATA PROTECTION INSPECTORATE

Your: 17/12/2020

Our: 03/06/2021 nr 2.1.-1/20/61

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

The proceeding of the Estonian Data Protection Inspectorate concerned the claim of a Lithuania citizen [REDACTED] (complainant) in regard to the fact that the [REDACTED] transferred the personal data of the complainant about his debt to [REDACTED] without informing about debt.

Given the above, we initiated a supervision proceeding on the basis of clause 56 (3) 8) of the Personal Data Protection Act.

In its response to the inquiry from the Estonian Data Protection Inspectorate, [REDACTED] stated that it did not violate the Personal Data Protection Act or the General Data Protection Regulation, but acted in accordance with the laws and the contract concluded with the client.

During the proceeding, [REDACTED] stated the following:

1. [REDACTED] ([REDACTED]) was a client of [REDACTED], who ordered the service of [REDACTED] ([REDACTED]) by concluding a service provision contract with [REDACTED] on 10.07.2010. On 18.03.2013, [REDACTED] terminated the contract with the complainant due to a debt.
[REDACTED] processes the appellant's personal data (name, surname, address, telephone number, and personal identification code) based on the concluded contract and law in order to perform the contract and recover the debt.
2. On 16 September 2019, [REDACTED] forwarded the complainant's personal data to [REDACTED] in accordance with the contract concluded with the [REDACTED]
3. Clause 12.3 of the contract concluded with the client highlights that [REDACTED] has the right to transfer, without the consent of the client, its contractual rights and obligations to third parties, provided that the transfer does not violate the client's rights. The client's rights have not been violated, as upon conclusion of the contract, it was agreed that the client will receive the service and [REDACTED] will be paid for the service provision. If the debt for the service remains unpaid, the service provider has the right to demand the payment of debt that the client had to take into account when concluding the contract. The same option is also provided in subsection 164 (1) the Law of Obligations Act, establishing that an obligee may transfer the claim thereof to another person on the basis of a contract in part or in full regardless of the consent of the obligor (assignment of claim). A claim shall not be assigned if assignment is prohibited by law or if the obligation cannot be performed for the benefit of any other person but the original obligee without altering the content of the obligation. The client

failed to pay the debt, after which [REDACTED] transferred the debt to a person processing debts, and in this case, to [REDACTED] for debt recovery purposes.

[REDACTED] offers credit management services. As [REDACTED] entered into an agreement with [REDACTED] then the new creditor and the data controller is [REDACTED]

4. [REDACTED] had the right to transfer the personal data to [REDACTED] in accordance with the agreement with the client and law (in point 3). On 15 October 2019, [REDACTED] informed the complainant that [REDACTED] had transferred the complaint's personal data to [REDACTED], therefore the new creditor and the data controller is [REDACTED].

[REDACTED] has explained to the Estonian Data Protection Inspectorate that it received the complainant's data in connection with the conclusion of a contract with him for the use of the service and shall process such data to perform the contract – for debt recovery purposes.

As the complainant failed to pay the debt, his details were transferred to the [REDACTED] with whom [REDACTED] had a debt collection contract.

Information that [REDACTED] may transfer the complaint's data to third parties without his consent has already been communicated to the complainant upon conclusion of the contract (clause 12.3 of the contract). It is clear from the response of [REDACTED] that the complainant was notified by [REDACTED] on the transfer of the debt on 15 October 2019.

In addition, the Estonian Data Protection Inspectorate examined the correspondence forwarded by the complainant. It appears from the correspondence that the complainant has been provided with documents, which, in the opinion of [REDACTED], prove the incurrance of the debt. Therefore, [REDACTED] has replied to the complainant and the Inspectorate did not find a violation of Article 15 of the GDPR.

The Estonian Data Protection 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.

As [REDACTED] has received personal data from the complainant at the time of concluding the contract and [REDACTED] processes such data lawfully (for the purpose of concluding and performing the contract) and the complainant has been informed of the transfer of personal data or the possibility thereof, we find that the processing of the complainant's personal data was lawful. Therefore, we shall terminate the supervisory proceeding.

This decision may be challenged within 30 days by submitting one of the two:

- A challenge to the Director General of the Estonian Data Protection Inspectorate pursuant to the Administrative Procedure Act¹, or
- An appeal to an administrative court under the Code of Administrative Court Procedure² (in this case, the challenge in the same matter can no longer be reviewed).

¹ <https://www.riigiteataja.ee/en/eli/527032019002/consolide>

² <https://www.riigiteataja.ee/en/eli/512122019007/consolide>

Respectfully

/signed digitally/

[REDACTED]

[REDACTED]

authorised by the Director General