Global Rewards Update:
PERU – New Personal Data Protection Law

February 2012

Purpose of the law

The new Personal Data Protection Law (the “Law”) aims to guarantee the fundamental right of protection of personal data provided in the political constitution of Peru and is intended to apply to personal databases, whether public or private, in Peruvian territory. A personal database is a database with information that identifies, or allows identification of, a person through reasonable means.

It should be noted that the Law does not apply to databases created by individuals for private or personal purposes or to databases created by the Peruvian government for the strict fulfillment of responsibilities related to national security and criminal law matters.

Highlights

The Law provides mechanisms for the protection of the rights of personal data, establishing that the collection, processing, and transfer of personal data must be done legally and with prior expressed consent of the owner. In the case of sensitive data, the owner’s consent must be in writing.

With respect to international transfers of personal data to a recipient located outside of Peru, the transfer can only occur if the recipient country maintains similar levels of protection according to the Law; otherwise, the owner or manager of the personal data bank should ensure this level of protection. These rules will not apply with respect to, among other things, international treaties, international judicial cooperation, bank transfers, and exchanges.

Other important aspects of the Law are:

• The Law establishes a National Authority for the Protection of Personal Data, which manages, directs, regulates, supervises, and provides sanctions regarding the protection of personal data.

• The owners of personal data have the right to prevent the supply of data when fundamental rights are violated and have a right to be indemnified by the owner of the personal data bank.

• The penalties for violating the Law depend on the type of offense committed. Fines range from 0.5 to 100 tax units (1 tax unit is equivalent to approximately US $1,350).

The new Law brings the data protection laws of Peru more in line with the stringent data privacy protection laws of the European Union.

The Law will be effective once complementary rules are approved, which is expected to be in March 2012. Certain implementation rules, such as rules regarding the creation of the National Authority for the Protection of Personal Data and the adequacy of internal regulations of government agencies, were effective as of July 4, 2011.
**Action**

- Companies considering operating share plans in Peru must adopt measures to prevent alteration, loss, or unauthorized access of the personal data bank.

- Companies that already operate share plans in Peru must modify existing personal data banks in accordance with the Law.

**People to contact**

For assistance in this matter or any other issue related to the operation of your global rewards plans, please contact your local Deloitte global rewards consulting services advisor or email us at globalequity@deloitte.com, and a global rewards consultant will contact you.

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1 Peruvian law defines sensitive data as the following: Data that refers to race and ethnicity, incomes, political opinions or religious, philosophical or moral convictions, union membership, and information related to health or sex life, and that, by itself, can identify the owner.