

# IS YOUR ORGANIZATION PREPARED FOR THE FTC SAFEGUARDS RULE CHANGES?

The Federal Trade Commission (FTC) amended the Standards for Safeguarding Customer Information (Safeguards Rule), requiring non-banking financial institutions to adhere to stricter cybersecurity and information security standards.

**Are you prepared?** Use this checklist to start implementing best practices and establish good cyber hygiene. Once the rule is in effect, it will no longer be voluntary but required by law.

**As of October 2023, the FTC requires institutions to report security breaches involving at least 500 consumers to the Commission within 30 days of discovery.**

## SAFEGUARDS RULE COMPLIANCE CHECKLIST

- I have conducted a written risk assessment, including details about risk criteria and how my institutions cybersecurity program will address and mitigate risks.
- I will conduct additional periodic risk assessments.
- I have created and documented a written incident response plan including goals, communications plan, processes, and roles/responsibilities.
- I have designated or hired a "qualified individual" to oversee my institution's cybersecurity program.
- I have conducted and documented a data and system inventory of all the information my brokerage collects, stores, and transmits.
- I have implemented technical and physical access controls.
- I have ensured encryption of all customer information in transit and at rest, and have documented retention and disposal procedures for customer information.
- I have multi-factor authentication (MFA) enabled for all systems containing sensitive customer information.
- I have established change management procedures for modifying information systems.
- I have implemented policies, procedures, and controls to monitor and log activity.
- I will perform annual penetration testing, twice-yearly vulnerability assessments, and periodic vendor risk assessments.
- I will provide annual reports to my board of directors on compliance and my organizations's cyber hygiene status.

For a cybersecurity risk assessment or support meeting the Safeguards Rule requirements, please contact us at **937.490.5600** or **info@backtobusinessit.com**