

Cybersection

2016 - Cybersecurity Year in Review

Cybersecurity continued to be an all-important issue for financial institutions and the financial services industry in 2016. Here are some of the highlights in regulatory guidance from the past year:



- In October 2016, the Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of the Currency, and the Federal Reserve System issued an **advance notice of proposed rulemaking** addressing five categories: cyber risk governance, cyber risk management, internal dependency management, external dependency management, and incident response, cyber resilience, and situational awareness.
- The New York State Department of Financial Services issued **cybersecurity regulations** that became effective last month. These regulations require state-chartered or licensed financial services institutions establish and maintain a cybersecurity program designed to protect consumers.
- The Federal Financial Institutions Examination Council (FFIEC) created a list of **Frequently Asked Questions (FAQs)** regarding clarification of points in the **2015 FFIEC Cybersecurity Assessment Tool**.
- In July 2016, the FDIC rescinded its Information Technology Risk management Program (IT-RMP) and implemented the **Information Technology Risk Examination (InTREx) Program** for conducting IT examinations.
- Heading into January 2017, the National Institute of Standards and Technology (NIST) issued a **draft update** to the Framework for Improving Critical Infrastructure Cybersecurity (Cybersecurity Framework).

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1st Quarter 2017 Enforcement Orders

The Department of Banking and Securities issued **11** enforcement orders during the first quarter of 2017. Fines and assessments for these orders totaled **\$113,125**, including:

- Six Consent Agreement and Orders issued for violations of the Consumer Credit Code;
- One Consent Agreement and Order and two Orders to Show Cause issued for violations of the Pennsylvania Securities Act of 1972;
- One Consent Agreement and Order issued for violations of the Money Transmitter Act; and
- One Cease and Desist Order issued for violations of the Mortgage Licensing Act.

Comprehensive lists of enforcement orders administered by the Department of Banking and Securities are available online at dobs.pa.gov. Anyone can ask questions or file complaints concerning financial products or services by calling **1.800.PA.BANKS** (or 800.600.0007) or clicking ([here](#)).