

SAFETY AND SECURITY

Cybersection



• • • **FINRA Issues Cybersecurity Practices Report for Broker-Dealers**

In December, the Financial Industry Regulatory Authority (FINRA) released a report on selected cybersecurity practices for broker-dealers and their firms. The report focuses on the areas of branch controls, phishing, insider threats, penetration testing, and mobile devices.

The report specifies: “FINRA notes that the specific practices highlighted in this report should be evaluated in the context of a holistic firm-level cybersecurity program.”

Additional resources from FINRA include its 2015 Report on [Cybersecurity Practices](#) and [Small Firm Cybersecurity Checklist](#).

Read the full report [here](#).

• • • **PA Supreme Court Holds Businesses Have Legal Duty to Safeguard Employee Information**



The Pennsylvania Supreme Court has ruled that an employer has a common law duty to use reasonable care to safeguard the sensitive personal information of its employees on an internet-accessible computer.

In *Dittman v. UPMC*, the Court granted discretionary review in the matter involving an employee who filed a class action complaint against her employer. She alleged that a data breach of her employer resulted in personal information – including names, birth dates, social security numbers, addresses, tax forms, and bank account information – of 62,000 employees being stolen and subsequently used to file fraudulent tax returns.

In addition to an employer having a legal duty to safeguard that information, the Court further held that under Pennsylvania’s economic loss doctrine, recovery for “purely pecuniary damages” arising under a negligence claim is permissible.

Read the PA Supreme Court’s Opinion [here](#).

• • • **DoBS Staff Recognition**



(Left) George Dillman of the Investor Education and Consumer Outreach Office graduated from the Emerging Leader Program on December 7. The program is designed to tap into the talents of commonwealth employees who exhibit leadership potential. Here he is pictured with Jason Swarthout, Director, Office of Administration Talent Management Office.

(Right) Senior IT Examiner Charles Jones, pictured here with Deputy Secretary of Administration Mary Beth Stringent, graduated from the Leadership Development Institute (LDI) in November. LDI provides professional developmental opportunities for employees who demonstrate leadership potential and the ability to succeed in positions of greater responsibility within Pennsylvania government.

