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SECRETARY ROBIN L. • dobssecretary@pa.gov **Wiessmann**

Beyond Equifax: Securing Your Information

We live in an age where technology blended with finance is providing enormous benefits for consumers, businesses, and our economy. Technology has made simple tasks easier and complex functions more convenient. Just ask Alexa.

However, along with these advances in technology, the associated risks to both consumers and businesses have evolved and become more challenging and daunting. Since the Equifax breach was announced last month, I think the issue of cybersecurity has – or at least should – become paramount in the minds of consumers and businesses.

Equifax announced that data of 143 million Americans – including 5.5 million Pennsylvanians -- may have been compromised, including names, Social Security numbers, birth dates, addresses, and even drivers' license numbers and credit card numbers.

The reality of our technologically advanced age is that people's identities can be stolen, their bank accounts can be drained, and their credit can be ruined by criminals in distant lands over the course of weeks, months, or even years. Cybercriminals and scammers are continually becoming more sophisticated and savvy in the ways in which they target their victims. Consumers must take control of their own personal and financial data, and businesses must remain vigilant, stay current with and follow cybersecurity best practices.

The Department of Banking and Securities Cybersecurity Task Force has been working with providing resources to help maintain the integrity of Pennsylvania's financial services marketplace. I encourage businesses to visit their website and learn more about how to protect themselves and their customers:

www.dobs.pa.gov/Businesses/cybersecurity

I am pleased to announce that 10 agencies and offices in the Pennsylvania government have been contributing their experience and expertise to creating an online cybersecurity guide for consumers, which was launched earlier this month: www.pa.gov/cybersecurity.

I hope you will all take the opportunity to visit this online guide and share the information with your family, friends, and neighbors.

Cybersecurity is one of top priorities at the Department of Banking and Securities, and it should be at the top of your list as well. If I could boil down all advice you will receive on cybersecurity into one phrase, it would be that when you are on the internet,



The Department of Banking and Securities has recently issued several advisories for consumers and businesses on what they can do to protect themselves. Take a look at them, and take them to heart. These advisories are available online:

- **Consumers Advised to ‘Take Control’ of Their Personal Data Following Equifax Breach**
- **Department Advises Businesses Following Equifax Breach**

2018 Community Bank Case Study Competition

Pennsylvania college and university business faculty and students are encouraged to enter the national 2018 Community Bank Case Study Competition.

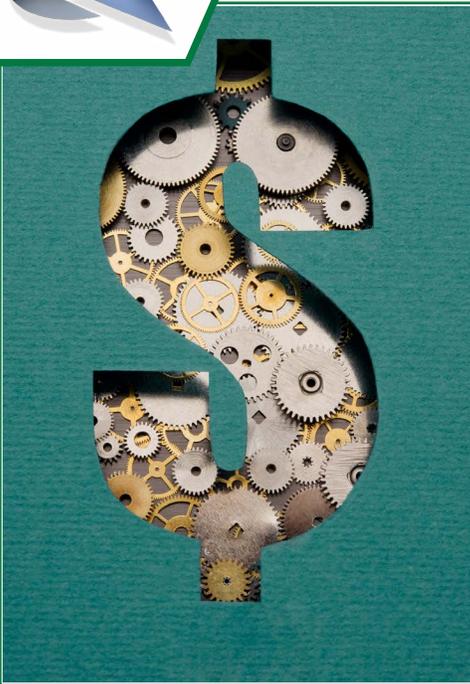
This competition encourages undergraduate college students to explore community banking by partnering student teams under the guidance of a faculty member with local banks to conduct original case studies, focusing on the impact of small business lending efforts by local community banks. Last year, in the competition's third year, teams from 33 colleges and universities participated. Teams from Bloomsburg University and Kutztown University were chosen as finalists.



Supervisors (CSBS), the nationwide organization of banking regulators from all 50 states and U.S. territories.

The 2018 case study topic addresses how community banks use technology to better meet the needs of their customers. The competition is sponsored by the Conference of State Bank

The competition is free and open for entries until November 20, 2017, at www.csbs.org/bankcasestudy.



2018 Bank Holiday Schedule

Pennsylvania State-Chartered Banking and Trust Institutions

To assist your institution in preparation of a schedule of holidays, a list of 2018 legal bank holidays as extracted from Section 113 of the Banking Code of 1965, as amended:

When a fixed holiday falls on a Sunday, it **shall be** observed on the following Monday; when it falls on a Saturday, it **may also be** observed on the following Monday.

Veterans' Day, November 11, falls on a Sunday in 2018. As optional holidays, there is no provision in the Banking Code to observe Veterans' Day on an alternate day.

Fixed Holidays

- January 1 – New Year's Day
- January 15 – Dr. Martin Luther King, Jr. Day
- May 28 – Memorial Day
- July 4 – Independence Day
- September 3 – Labor Day
- November 22 – Thanksgiving Day
- December 25 – Christmas Day

Optional Holidays

- February 12 – Lincoln's Birthday
- February 19 – Washington's Birthday
- March 30 – Good Friday
- June 14 – Flag Day
- October 8 – Columbus Day
- November 6 – Election Day
- November 11 – Veterans' Day



How are we doing?



Take a short online readers survey and let us know how we are doing. Have suggestions for topics or articles? Want more information on regulations or news affecting your organization or business? [Click here](#)



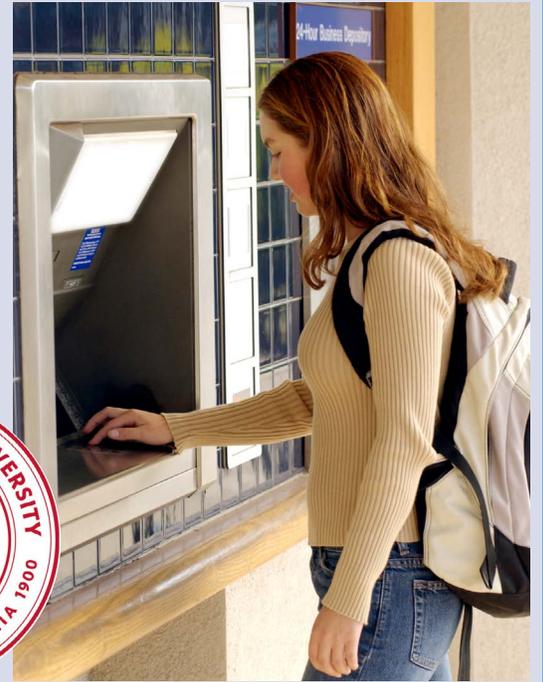


Department Collaborates with CMU on Survey of Millennial Banking

The department is partnering with Carnegie Mellon University to conduct a statewide survey of unbanked/underbanked millennials. The survey is intended to identify why the 21-34 age cohort in Pennsylvania is underbanked or unbanked and the underlying trends and reasons.

“Millennials are already having an influence in the world of banking and commerce and it is imperative that we as regulators not only remain aware of the changing trends, but understand the underlying dynamics and the impact to the institutions we supervise,” said Secretary of Banking and Securities Robin L. Wiessmann.

The department is working with the Carnegie Mellon students as part of a three-phase project to design the survey, distribute the survey, and analyze the results. Completion of the project is expected in fall 2018. For more information on this project, contact Policy Director Tim Arthun: tarthun@pa.gov.

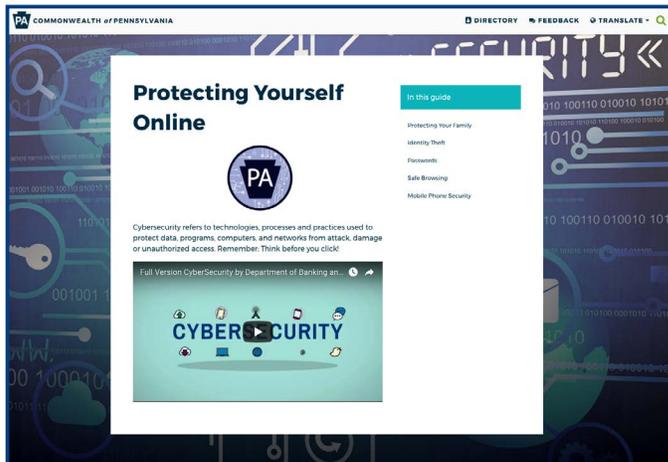


SAFETY AND SECURITY Cybersection

New Cybersecurity Resource to Protect Pennsylvanians



In the wake of high-profile cyber attacks targeting businesses, governments and other organizations, the Wolf administration is reminding Pennsylvanians to take appropriate steps to protect their personal and financial data.



In response to this challenge, the Pennsylvania state government launched a cybersecurity guide for consumers, produced by a collaboration of 10 state agencies and offices.

The guide can be found at: <https://www.pa.gov/cybersecurity>

“The frequency and complexity of cyber attacks, especially following the Equifax data breach, reinforce the need for everyone and every organization to have conversations about cybersecurity and to make plans to protect themselves,”

said Secretary of Banking and Securities Robin L. Wiessmann at the announcement of the guide.

The guide includes tips to prevent identity theft, protect passwords, keep children safe online, secure mobile devices, as well as directing users to resources available from several state government agencies.



Small Businesses: Advice on Funding Start-Ups, Expansion



Whether seeking to start a new business or expand an existing small company, business owners have several options to find funding, including the sale of securities to investors.

To help Pennsylvania businesses navigate through the process of offering securities for sale, the Department of Banking and Securities has published a new guide, “**How Small Businesses Can Raise Capital by Issuing Securities.**”

The guide can be found on our [website](#).

“Many business owners successfully raise funding by selling shares in their companies,” said Secretary of Banking and Securities Robin L. Wiessmann. “In Pennsylvania, selling shares of your company requires either that you register your sale or seek an exemption. Registration can be a complex process, so the department has produced a guide to help business owners more easily get started.”

Registration is the process by which a business files with the Department of Banking and Securities all documents that will help investors make informed decisions about the proposed securities offering. Pennsylvania and federal laws also contain a series of exemptions, which cover situations where the nature of the securities or the character of the transaction does not demand full registration.

Wiessmann advises business owners seeking registrations or exemptions to seek legal counsel from an attorney experienced in this area

“I strongly suggest that business owners and their attorneys seeking to sell shares of a company to Pennsylvania investors contact the department’s Office of Corporation Finance,” Wiessmann added. “Our staff wants businesses to succeed, and can help guide you through the complex process of registration or exemption.”

Business owners seeking to offer securities for sale to Pennsylvania investors can contact the department’s Office of Corporation Finance at **717.787.9059**. More information is available on our [website](#).

Deadline Approaching to Register for “Money Matters” **MONEY MATTERS**

The Department of Banking and Securities will be hosting “**Money Matters**,” a noncommercial investor education conference that will take place October 25, 2017, from 6:00 PM to 8:30 PM, at the Radisson Hotel Harrisburg in Camp Hill.

“**Money Matters**” will offer information on saving, investing, and related topics to help consumers make more informed financial decisions.

This event is free and open to the public, but registration is required. Visit us [online](#) for more information and to register.

Brian Roche, news anchor and consumer affairs reporter for WGAL-TV, will act as the master of ceremonies for the evening program. The keynote speaker will be Chuck Schaeffer, executive producer of the CNBC television program “American Greed.” Mary Bach, chair of the AARP Consumer Issues Task Force, and Sandra Block, senior editor for Kiplinger’s Personal Finance, will share top retirement protection strategies with attendees.

A special presentation by Chuck Schaeffer, Executive Producer of **AMERICAN GREED**

Hosted by **Brian Roche**, WGAL News 8 Anchor, Consumer Reporter

AARP Real Possibilities | **pennsylvania** DEPARTMENT OF BANKING AND SECURITIES | **Investor Education Trust** | **WGAL** AMERICAN GREED



November Consumer Outreach Events Announced

Education and outreach staff from the Department of Banking and Securities are scheduled to meet with consumers throughout the commonwealth during November.

Events being held include the following:

Senior Citizens

The presentation “**Consumer Fraud Bingo**” – an interactive presentation to help participants learn ways to protect

themselves from investment fraud and other financial scams – will be offered at the following locations:

- **Columbia Senior Center** at 510 Walnut Street in **Columbia (Lancaster County)** on **November 3** from 9:30 AM to 10:30 AM
- **Elizabethtown Area Senior Center** at 70 S. Poplar Street in **Elizabethtown (Lancaster County)** on **November 3** from 11:00 AM to 12:00 PM
- **Village of Neshaminy Falls Retirement Community** at 195 Stump Road in **North Wales (Montgomery County)** on **November 14** from 9:00 AM to 10:00 AM



General Audiences

Department staff will participate in a **Family/Community Partnership** event at **Susquehanna Township High School** at 3500 Elmerton Avenue in **Harrisburg** (Dauphin County) on **November 4** from 10:00 AM to 2:00 PM

As part of an ongoing series with MontcoWorks and PA CareerLink in Montgomery County, department staff will present “**Spending Plans – A Road Map to Financial Success**” – which outlines the differences between wants and needs; setting “**SMART**” goals; creating a spending plan; and putting the plan into action – at **Norristown CareerLink** at 1855 New Hope Street in **Norristown (Montgomery County)** on **November 8** from 10:30 AM to 11:30 AM (Registration required for this free event. Space is limited. Call 610.278.2609 to register.)

Department staff will also present “**Cybersecurity: Protecting Yourself Online**” and “**Consumer Fraud Bingo**” at the **Falls of Schuylkill Library** at 3501 Midvale Avenue in **Philadelphia** on **November 9** from 2:30 PM to 4:00 PM.

“**Money Matters**” – a free noncommercial conference about elder financial abuse – at **The Center at Beaver Valley Mall** at 284 Beaver Valley Mall in **Monaca (Beaver County)** on **November 9** from 9:00 AM to 11:30 AM. This event is free but registration is required: email lscaff@bccann.org or call 412.897.9495.

Department staff will offer three presentations in one – “**Banking Basics**,” “**Creating a Spending Plan**,” and “**Credit Reports and Scores**” – at an event sponsored by Sen. Guy Reschenthaler and Rep. Rick Saccone. The combined presentation will outline the differences between wants and needs; setting “**SMART**” goals; provide an overview of how banks and credit unions work, including differences among types of accounts; and will discuss the importance of your credit score. This event will be at **Mt. Lebanon Library** at 16 Castle Shannon Blvd. in **Pittsburgh (Allegheny County)** on **November 28** from 6:30 PM to 8:30 PM.

Professionals

Department staff will present “**Elder Investment Fraud and Financial Exploitation Prevention Program**” – an innovative, research-based program that trains medical doctors, lawyers, social workers, senior services providers, and other partners to recognize and report financial abuse targeting their clients, especially those suffering from mild cognitive impairment – at the following locations (Events are NOT open to the general public):

- EIFFE for Tax Preparers in **Wilkes Barre (Luzerne County)** on **November 2**
- EIFFE Legal in **Grantville (Dauphin County)** on **November 3**
- PA Institute of Certified Public Accountants Conference in **Malvern (Chester County)** on **November 8**
- Alzheimer’s Association Conference in **York (York County)** on **November 21**

The department offers educational presentations designed to help consumers of all ages learn to protect and grow their own money. The department’s Calendar of Events can be found [online](#). Consumers and community groups can call **1.800.PA.BANKS** or email informed@pa.gov for more information.



Financial Services for Consumers and Business



Multi-Agency Partnership Launches Program to Reduce Recidivism through Financial Education



Pittsburgh Reality Fair Volunteers

The Department of Banking and Securities, along with the Department of Corrections and the Board of Probation and Parole, joined by the PA Housing Finance Agency and the PA Credit Union Foundation, launched a program – one of the first in the nation – designed to help reduce inmate recidivism through financial education.

On October 14, Pennsylvania hosted Financial Reality Fairs on the same day in five cities: Erie, Harrisburg, Philadelphia, Pittsburgh, and Reading.

Financial REALITY Fair



Harrisburg Reality Fair Volunteers

The Financial Reality Fair is an interactive financial literacy tool, providing a hands-on experience for re-entrants to identify post-release work options and starting pay expectations. Participants will complete a budget sheet requiring them to live within their monthly salary while paying for basics such as housing, utilities, transportation, clothing, and food – as well as discuss unexpected and emergency expenditures. Volunteers from credit unions, community groups, and state agencies provide participants with financial counseling.



Reading Reality Fair Volunteers

“This is government that works; breaking down barriers, drawing on expertise and experience from different agencies and perspectives, and working together to protect Pennsylvanians,”

said Secretary of Banking and Securities Robin L. Wiessmann. “I hope that other states look at our efforts and successes as a model for how they can create partnerships and develop similar programs to help their citizens.”



Spinning the “Wheel of Reality” in Reading





COMPLIANCE CORNER

Compliance



3rd Quarter 2017 - Enforcement Orders

The Department of Banking and Securities issued 26 enforcement orders during the third quarter of 2017. Fines and assessments for these orders totaled **\$826,725.60**, including:

- Nine Consent Agreement and Orders and two Cease and Desist Orders issued for violations of the Consumer Credit Code, two of which include indefinite suspensions;
- Four Consent Agreement and Orders and three Orders to Show Cause for violations of the Pennsylvania Securities Act of 1972;
- Two Consent Agreement and Orders and three Cease and Desist Orders issued for violations of the Mortgage Licensing Act, including a 30-day suspension;
- One Consent Agreement and Order and one Order to Show Cause and Cease and Desist Order for violations of the Consumer Discount Company Act, including a license revocation and a one-year bar from reapplication; and
- One Consent Agreement and Order for violations of the Check Cashier 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](#)).

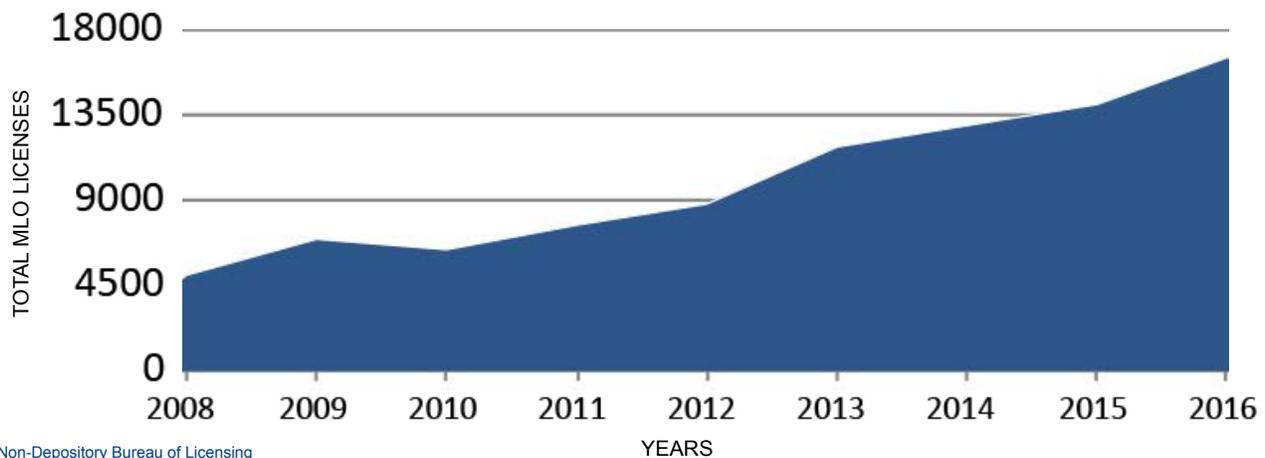


INDUSTRY DATA | TRENDS | STATS

Research

Mortgage Originator Licenses

Since Passage of Mortgage Licensing Act of 2008



Source: DoBS Non-Depository Bureau of Licensing