REGULATION S-P COMPLIANCE OUTREACH

Technology Controls Program Mock Examination

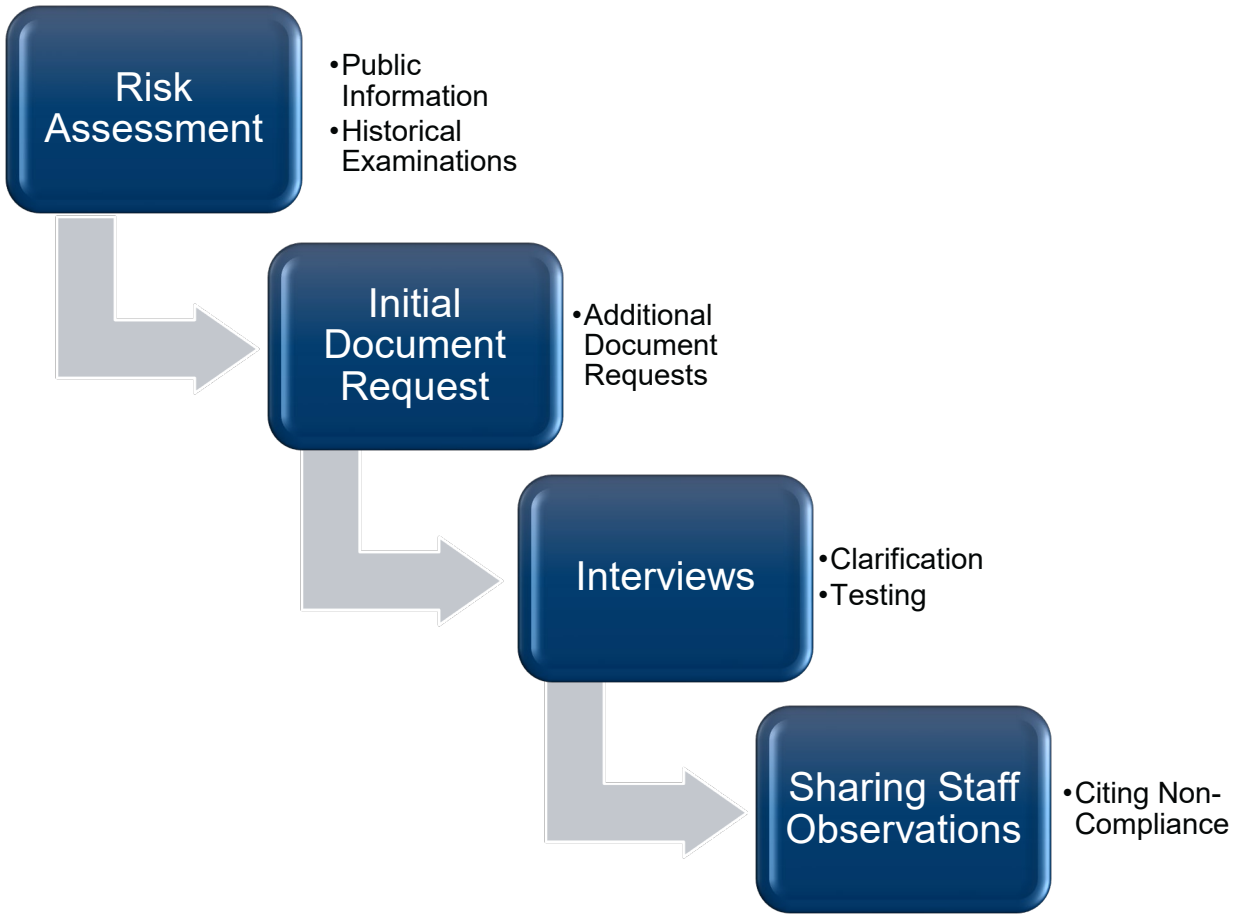
U.S. Securities and Exchange Commission

This presentation is provided in the our official capacity as the Commission's Technology Controls Program Staff, but does not necessarily reflect the views of the Commission, the [other] Commissioners, or [other] members of the staff.

AGENDA

- Examination Workflow
- Mock Examination
    - Scenario
    - Risk Assessment
    - Initial Document Request
    - Interviews
    - Observations

EXAMINATION WORKFLOW



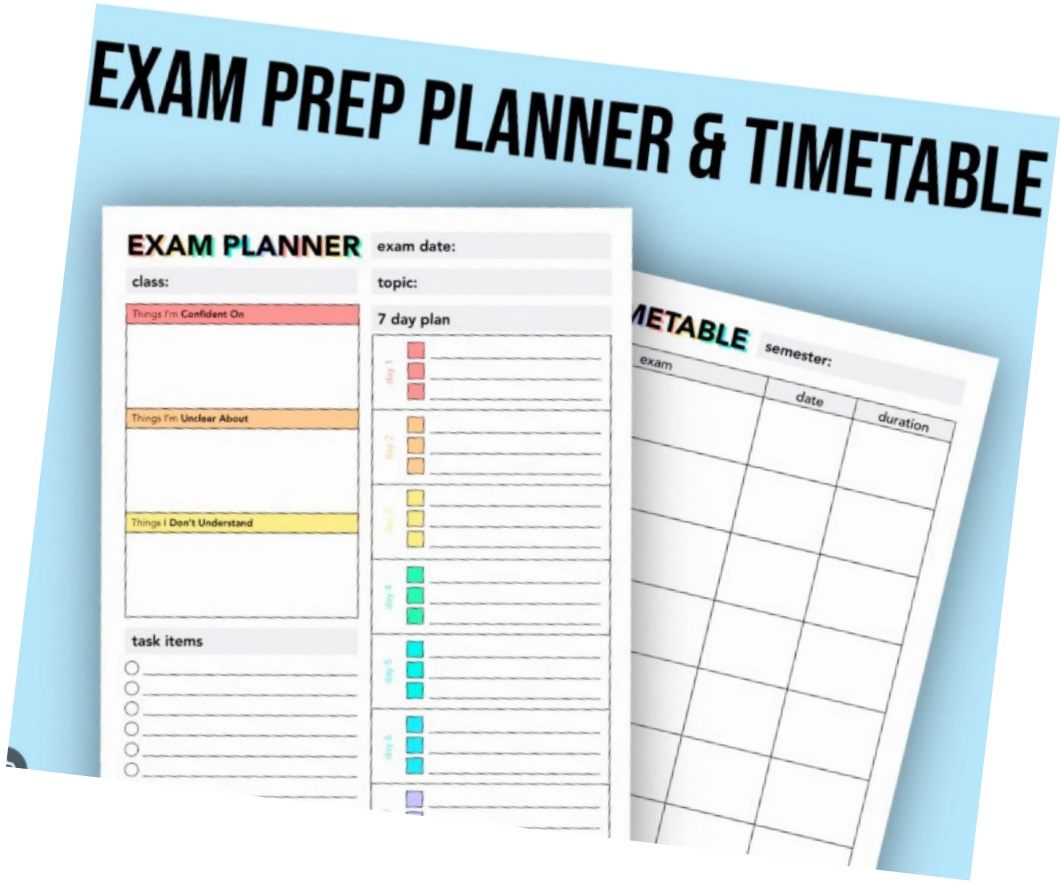
MOCK TCP EXAMINATION
REGULATION S-P

MOCK EXAMINATION SCENARIO

- Registrant Profile:
  - Assets Under Management: $250 million
  - Location(s): 1 Office
  - Staff Size: 7 Employees
  - Leverages Managed Service Provider for Information Technology Services
- Client Custodian

RISK ASSESSMENT

- Public/Entity Websites
- Historical Examinations
- Active Examinations
- Regulatory Filings
- Tips/Complaints Referrals



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INITIAL DOCUMENT REQUEST

- Registrant Compliance Manual
- Written Policies & Procedures Addressing Administrative, Technical, and Physical Safeguards for the Protection of Customer Information
- Information Technology Managed Service Provider Contract
- Organization Charts
- Risk Assessments Related to technology/cybersecurity risk, controls, threats, vulnerabilities

INITIAL DOCUMENT REQUEST

- Incident Response Specific Requests
  - Incident Response Plan
    - Policies and Procedures that Document Registrant Program to Detect, Respond to, and Recover from Unauthorized Access to or Use of Customer Information, including Customer Notification Procedures
    - Listing of staff, vendors, contractors, or other persons responsible for incident response activities.
    - Listing of all tools that facilitate detection and monitoring of the Registrant's network environment.
  - Reports or supporting documentation that confirms monitoring of information systems, networks, and personnel activity to detect incidents.
  - If Registrant Suffered a Security Incident During Review Period, Provide Documentation Demonstrating their Incident Response Program Steps Were Followed for Each Incident.

INTERVIEWS

- Who:
  - Chief Compliance Officer (CCO)
  - Chief Information Officer (CIO)
  - Chief Technology Officer (CTO)
  - Outsourced Information Technology Staff
- When:
  - Mutually Agreed Time Following Examination Staff Review of Requested Documentation
- Where:
  - Registrant Office
  - Virtual (As-Needed)

COMMON OBSERVATIONS

- Policies and Procedures do not appear to be reasonably designed
- Policies and Procedures do not appear to be enforced
- Policies and Procedures do not appear to exist

QUESTIONS