



**The Commonwealth of Massachusetts**  
William Francis Galvin, Secretary of the Commonwealth

June 3, 2014

**Re: Survey Regarding Cybersecurity Practices of Massachusetts-Registered Investment  
Advisers**

Dear

The Massachusetts Securities Division (the "Division") is currently conducting a survey of Massachusetts registered investment advisers. In order to fully consider Massachusetts registered investment advisers' cybersecurity readiness, the Division requires that you complete the enclosed survey regarding your firm's cybersecurity policies and procedures. As you complete the survey, please note that disclosing the identity of your firm is required. The Division considers these responses important for determining whether changes to existing regulations and policies are necessary and appropriate. The Division is also interested in ascertaining the financial impact associated with maintaining effective cybersecurity.

Please complete the survey and return it to the following address:

Massachusetts Securities Division  
Attn: 2014 Cybersecurity Survey  
One Ashburton Place, 17th Floor  
Boston, Massachusetts 02108-1552

Or via e-mail to: [MSD@sec.state.ma.us](mailto:MSD@sec.state.ma.us)

So that your practices may be considered in the survey results, the Division requires that the survey be completed and returned by **June 24, 2014**. Please contact the Division at (617) 727-3548 if you have any questions. Thank you in advance for your cooperation.



**The Commonwealth of Massachusetts**  
William Francis Galvin, Secretary of the Commonwealth  
Securities Division

**SURVEY REGARDING CYBERSECURITY PRACTICES OF  
MASSACHUSETTS REGISTERED INVESTMENT ADVISERS**

**Instructions/Glossary**

For purposes of this survey, the terms “*you*”, “*your*” or “*firm*” mean the recipient’s Massachusetts-registered investment adviser firm. For purposes of this survey, the term “*related person*” includes any and all of the firm’s officers, partners, directors, employees, or any person performing similar functions.

*You* may complete the survey by hand-writing the responses on the pages enclosed or by using a word processor to create a document containing responses to the Division’s questions.

**Identifying Information**

Firm Name: \_\_\_\_\_ (required)

Firm CRD Number: \_\_\_\_\_ (required)

My firm has its principal office and place of business in Massachusetts.    Y    N (circle one)

**Questions**

(1) Does your firm require authentication to access electronic data storage devices?

- Yes                       No – Proceed to question (3)

(2) What forms of authentication are required?

- Single factor authentication (ID/ Password)  
 Dual factor authentication (Key FOBS, secure IDs)  
 Adaptive factor authentication (Challenge questions)  
 Biometric authentication  
 Other authentication, identify: \_\_\_\_\_

(3) Does your firm allow remote access to servers or workstations via a virtual private network (VPN) or similar technology?

Yes  No

(4) Does your firm inventory all electronic data storage devices?

Yes  No

(5) Does your firm utilize laptop or tablet computers, or other portable electronic devices?

Yes  No – Proceed to question (5)

(6) Is the encryption software installed on all laptop or tablet computers, or other portable electronic devices?

Yes  No

(7) Identify the encryption software vendor: \_\_\_\_\_

(8) Does your firm utilize antivirus software?

Yes  No – Proceed to question (7)

(9) Identify the antivirus software vendor: \_\_\_\_\_

(10) Is the antivirus software installed on all fixed workstations and portable electronic devices?

Yes  No

(11) How often are updates downloaded to the antivirus software?

Weekly  Monthly  Quarterly  Annually

Other Specify: \_\_\_\_\_

(12) Does your firm utilize on-line or remote backup of electronic files?

Yes  No

(13) Identify the on-line or remote backup vendor: \_\_\_\_\_

- (14) Describe the process employed for disposal of hard drive or electronic data storage devices: \_\_\_\_\_
- (15) Who is responsible for the maintenance of your information technology systems?
- Employees  External vendors
- (16) Has your firm entered into confidentiality agreements with external service providers accessing your firm's information technology systems?
- Yes  No
- ~~(17) Has your firm assessed third party service providers (i.e., custodians, sub-advisers, etc.) compliance with information technology security?~~
- ~~Yes  No~~
- (18) Has your firm created and implemented a written information security program in compliance with 201 MASS. CODE REGS. 17.00 ("Standards for the Protection of Personal Information of Residents of the Commonwealth")?
- Yes  No
- (19) During your firm's most recent fiscal year, what percentage of your firm's operating budget was dedicated to, or consumed by, information technology security?
- < 1%  1-3%  3-5%  > 5%
- (20) Does your firm maintain any insurance coverage for cybersecurity?
- Yes  No
- ~~(21) Does your firm contact clients via e-mail or other electronic messaging?~~
- ~~Yes  No~~
- (22) Does your firm use any procedures to authenticate instructions received from clients via e-mail or other electronic messaging?
- Yes  No
- ~~(23) If new regulations or procedures are implemented by the Division to enhance cybersecurity, what financial impact do you anticipate these having on your firm?~~
- ~~None  Minimal  Moderate  Significant~~