



# FTC SAFEGUARDS RULE CHECKLIST

The purpose of the **Federal Trade Commission's Standards (FTC) SAFEGUARDING CUSTOMER INFORMATION** (the **Safeguards Rule**) is to ensure that entities covered by the Rule maintain safeguards to protect the security of customer information.

The **Safeguards Rule** took effect in 2003, but after public comment, the FTC amended it in 2021 to make sure the Rule keeps pace with current technology.

While preserving the flexibility of the original Safeguards Rule, the revised Rule provides more concrete guidance for businesses. It reflects core data security principles that all covered companies need to implement.

Once the rule is in effect, it will no longer be voluntary—it will be required by law.

**Are you prepared?** Use this checklist to start implementing best practices and establish good cyber hygiene.



## SAFEGUARDS RULE COMPLIANCE CHECKLIST

- Conduct a written risk assessment, including details about risk criteria and how our cybersecurity program will address and mitigate risks.
  - *Conduct additional periodic risk assessments.*
- Create a written incident response plan including goals, communications plan, processes, and roles & responsibilities.
- Designate or hire a "qualified individual" to oversee our cybersecurity program.
- Conduct and document a data and system inventory of all the information we collect, store, and transmit.
- Implement technical and physical access controls.
- Ensure encryption of all customer information in transit and at rest, and have documented retention and disposal procedures for customer information.
- Enable Multi-Factor Authentication (MFA) for all systems containing sensitive customer information.
- Establish change management procedures for modifying information systems.
- Implement policies, procedures, and controls to monitor and log activity.
- Perform annual penetration testing, twice-yearly vulnerability assessments, and periodic vendor risk assessments.
- Provide annual reports to my board of directors on compliance and our cyber hygiene status.

For a cybersecurity risk assessment or support meeting the **Safeguards Rule** requirements, please contact us at **309-661-7851** or [info@poweredbystl.com](mailto:info@poweredbystl.com)

