NYDFS Compliance Services

23 NYCRR 500 Cybersecurity Compliance for Financial Institutions

Sword&Shield
ENTERPRISE SECURITY

What is the NYDFS Cybersecurity Regulation?

Research shows the rate of breaches on the financial services sector tripled over the past five years.* After all, this is literally where the money is.

This makes financial institutions a target-rich environment for cybercriminals, since they offer multiple avenues for profit such as extortion, theft, and fraud. Beyond the obvious motivation of financial gain, nation-states and hacktivists also target the financial sector for political and ideological reasons.

As a response to the ever-growing threat posed to information and financial systems, the NY Department of Financial Services (NYDFS) has issued the NYDFS Cybersecurity Regulation (23 NYCRR 500), a relatively new set of regulations that places cybersecurity requirements on all covered financial institutions.

The requirement aims to protect DFS regulated entities as well as New York consumers whose private information may be revealed and/or stolen.

Who must comply with 23 NYCRR 500?

The NYDFS Cybersecurity Regulation covers any organization, including nonresident licensees, that is regulated by the New York Department of Financial Services.

This includes:

- Licensed lenders
- State-chartered banks
- Trust companies
- Service contract providers
- Private bankers
- Mortgage companies
- Insurance companies doing business in New York
- Non-U.S. banks licensed to operate in New York

What are the 23 NYCRR 500 Requirements?

The regulation requires covered entities to assess their cybersecurity risk profile and implement and maintain a comprehensive cybersecurity program that recognizes and mitigates that risk and in accordance with a specific compliance time line.

A covered entity is defined as "any person operating under or required to operate under a license, registration, charter, certificate, permit, accreditation or similar authorization under the Banking Law, the Insurance Law or the Financial Services Law."

*2018 "Cost of Cyber Crime Study" published by Accenture and the Ponemon Institute

About Us

Securing business for more than 20 years, Sword & Shield Enterprise Security, Inc. partners with our customers to meet the needs of their dynamic cybersecurity and compliance landscape.

We work closely with companies to become tightly integrated with their enterprise operations in the areas of managed security, risk and compliance, enterprise security consulting, security incident response and forensics, and security training.

Recognized nationally and headquartered in Knoxville, Tennessee, Sword & Shield has offices throughout the US. Sword & Shield services a broad spectrum of industries, including healthcare, retail, media, banking and finance, legal and manufacturing.

Just Ask

Sword & Shield has vast experience in virtually every area of information security and compliance. If you need a service in these areas not specifically named in a description, the chances are we do it, and we do it well. So, just ask.

NYDFS 23 NYCRR 500 Required Cybersecurity Services

In the 23 NYCRR 500, the NYDFS communicates a strong sense of urgency for financial institutions to create a cybersecurity program:

> "It is critical for all regulated institutions that have not yet done so to move swiftly and urgently to adopt a cybersecurity program and for all regulated entities to be subject to minimum standards with respect to their programs. The number of cyber events has been steadily increasing and estimates of potential risk to our financial services industry are stark. Adoption of the program outlined in these regulations is a priority for New York State."

The mandate requires several minimum standards including:

- Cybersecurity Program Development
- Cybersecurity Policy
- Chief Information Officer
- Risk Assessment
- Penetration Tests
- Training and Monitoring
- Incident Response Plan

Sword & Shield's NYDFS Compliance Services

Sword & Shield's *partners with you* to take the stress of compliance off you by helping to make sense of the new NYDFS requirements and how they apply to your business. Our security experts help you to identify your risks and vulnerabilities, develop a remediation plan, and continue to work with you to maintain or improve your 23 NYCRR 500 compliance.

Why Sword & Shield Enterprise Security

Technology firms that dabble in security tell you what you're doing wrong (or not doing at all) and walk away, leaving you without a plan of action. Sword & Shield partners with you to become an integral part of your cybersecurity and compliance program by not only identifying gaps and vulnerabilities, but also continuing to work with you to achieve and maintain a secure and compliant environment.

In short, Sword & Shield's depth and breadth of expertise in every aspect of our comprehensive portfolio of security services, coupled with our customer-first approach, empowers us to provide tailored solutions and personalized support for small to enterprise level companies. We strive to make your security and compliance initiatives as easy as possible on you.

This is what sets us apart from other IT security and compliance firms.

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