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## OCTOBER 28, 2015: DEVELOPMENTS IN ASSET MANAGEMENT LAW

### NFA Adopts Interpretive Notice re Information Systems Security Programs

The CFTC has approved NFA's Interpretive Notice entitled *Information Systems Security Programs*, available [here](#), which obliges NFA member firms (including CPOs and CTAs) to adopt and enforce written policies and procedures to secure customer data access to their electronic systems beginning on March 1, 2016.

The NFA, acknowledging the differences in members' size and operations, has adopted a principles-based risk approach, but nevertheless will expect firms' Information Systems Security Programs (ISSPs)

- to cover—in writing—security and risk analysis; a description of safeguards against identified threats, the process used to evaluate detected security events, understand its impact and take measures to mitigate the breach; and the member's ongoing programs for training its personnel relative to IS security;
- to be approved by an appropriate executive (including a review of the efficacy of safeguards deployed and to be adjusted as appropriate) at least every 12 months;
- to provide employees upon hiring and periodically thereafter with cybersecurity training appropriate to the member's risk profile; and
- to address risks posed by the member's critical third-party service providers.

The NFA's Notice also references resources available to members as they create appropriate ISSPs.

If you have any questions about these new requirements, please contact me at the above address.

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