

Secure Management of Financial Services Data

Almost all businesses that provide financial services to customers are required by regulatory, legal, and contractual responsibilities to protect client data, credit card numbers, transactional records, and other sensitive information. Destruction of that data in such a way that it cannot be reconstructed will typically require compliant business data eraser software.

Let's take a closer look at financial service organization and how data erasure software can provide regulatory compliance.



What Regulations Apply to Financial Services Data?

There are a number of regulations that apply to financial services providers. Some of these include:

- Sarbanes-Oxley Act
- Bank Secrecy Act
- PCI Data Security Standard
- Gramm-Leach-Bliley Act (GLBA)
- FACTA Disposal Rule
- Patriot Act of 2002
- Identify Theft and Assumption Deterrence Act

These regulations cover the gathering, storage, data wiping, protection, and disclosure of customers' nonpublic personal information. Compliance is mandatory for financial institutions, requiring them to create and follow a policy which protects financial information from "foreseeable threats" in data security.¹

Which Types of Financial Services Companies Must Comply?

Regulations such as the GLBA outline regulations are designed to control how banks and security firms merge or consolidate their businesses, but they also provide detailed requirements about how customers' personal financial data must be protected regardless of who stores that information.

Any company which offers financial products or services to individual consumers is expected to comply, including but not limited to:

- Banks
- Loan brokers
- Debt collectors
- Real estate appraisers
- Tax return and management services
- Non-bank mortgage lenders
- Select financial or investment advisers
- Real estate settlement service providers

What Are the Requirements for Financial Data Destruction?

Financial services companies must permanently erase data and dispose of hardware and storage media securely, and if a 3rd party data erasure solution is used, that service provider must also be compliant and may need to sign a GLB Security Agreement.

The financial service provider or institution must ensure that all 3rd party service providers who have access to data storage media or systems which contain cardholder data are PCI compliant and meet other regulatory standards for their industry. A service provider is defined as "a business entity that is not a payment brand, directly involved in processing, storage, or transmission of cardholder data."

These private and public organizations must permanently destroy financial records and electronics which may contain sensitive information. This makes choosing the right software data eraser or disk wipe program a very important decision for any financial-services-based company.

Sourcing a Compliant Partner for Financial Services Data Destruction

Finding a secure solution that will help your organization achieve or maintain certified compliance with these stringent standards should start with planning and expert consultation. At WhiteCanyon Software, we provide the highest levels of international certification for secure erasure of financial services data.

In a rapidly changing landscape of IT advancement and regulations attempting to keep pace with technology, working with our expert consultants will reduce the time, effort, and complexities of ensuring your data destruction solutions keep pace with the speed of business. Contact us today at www.global-emea.com/products/ or +44 (0) 345 340 3105 to plan and implement a smooth and secure solution that will provide protection for your customers and clear documentation for compliance or certification of your financial services business.



Source:

1. https://en.wikipedia.org/wiki/Gramm%E2%80%93Leach%E2%80%93Bliley_Act