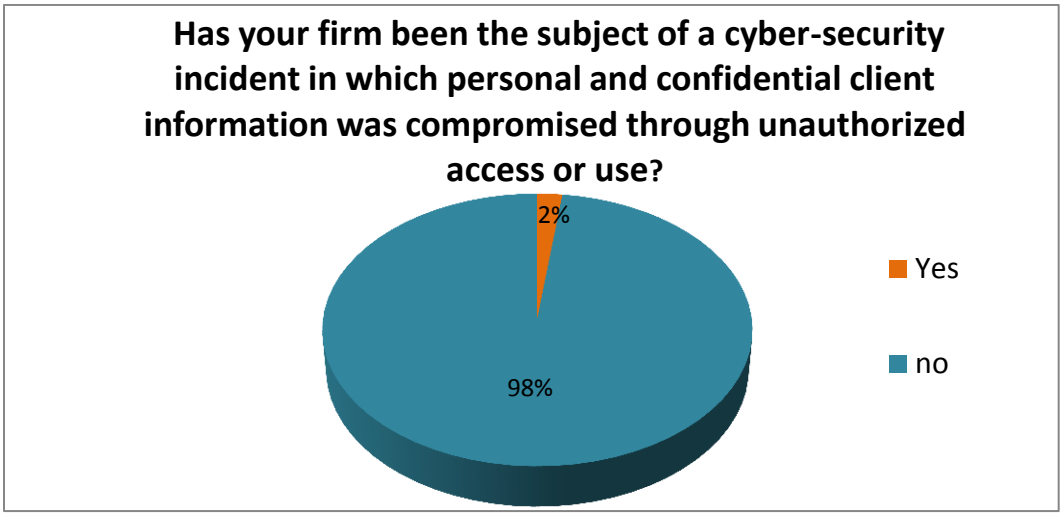
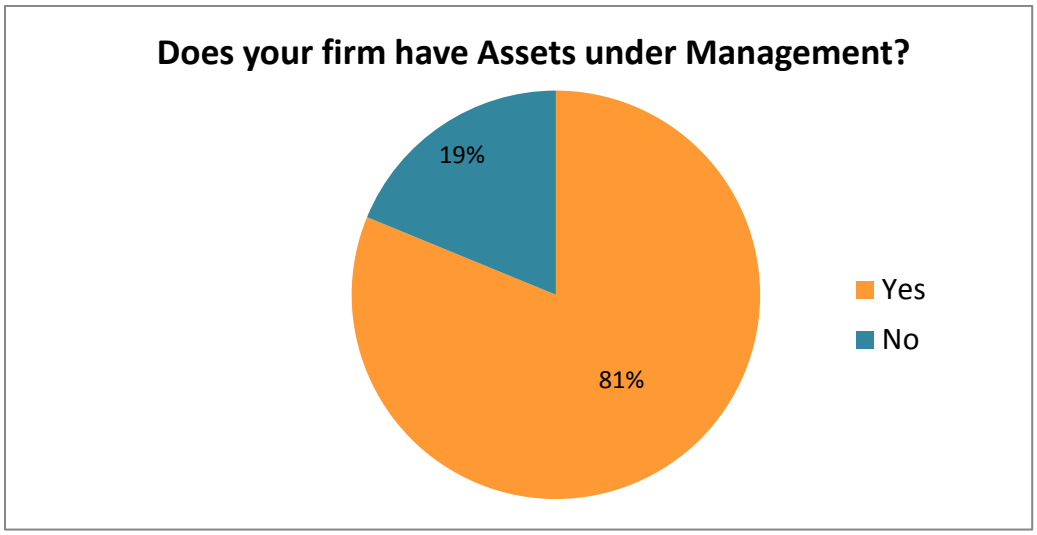
MINNESOTA DEPARTMENT OF COMMERCE

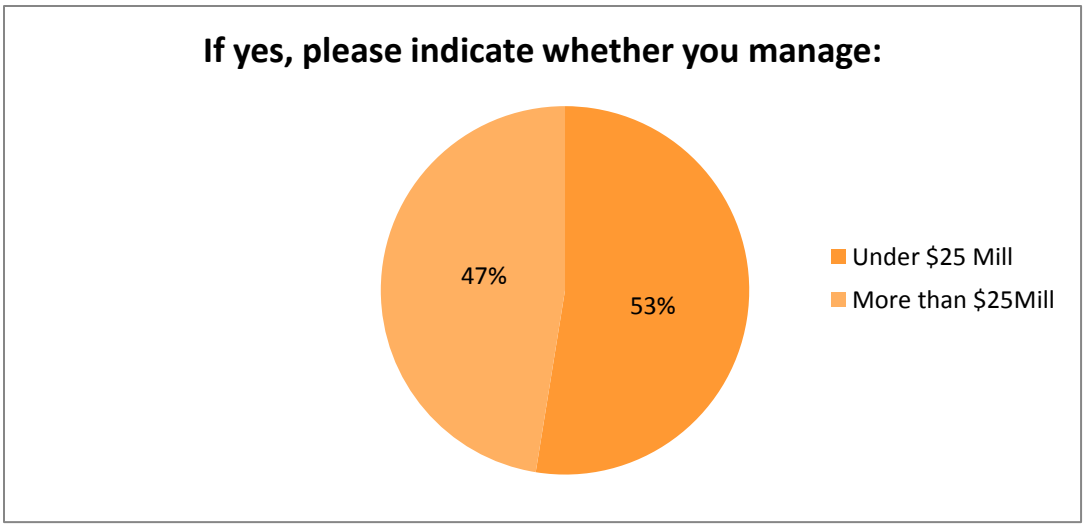
SURVEY RESULTS – CYBER-SECURITY PRACTICES OF MINNESOTA REGISTERD INVESTMENT ADVISERS

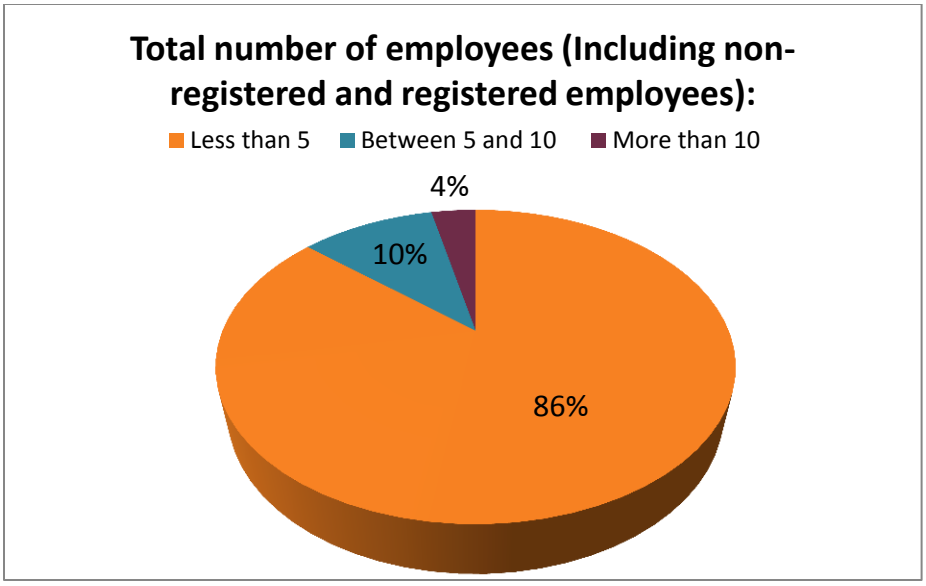
Minnesota Department of Commerce | July 2014

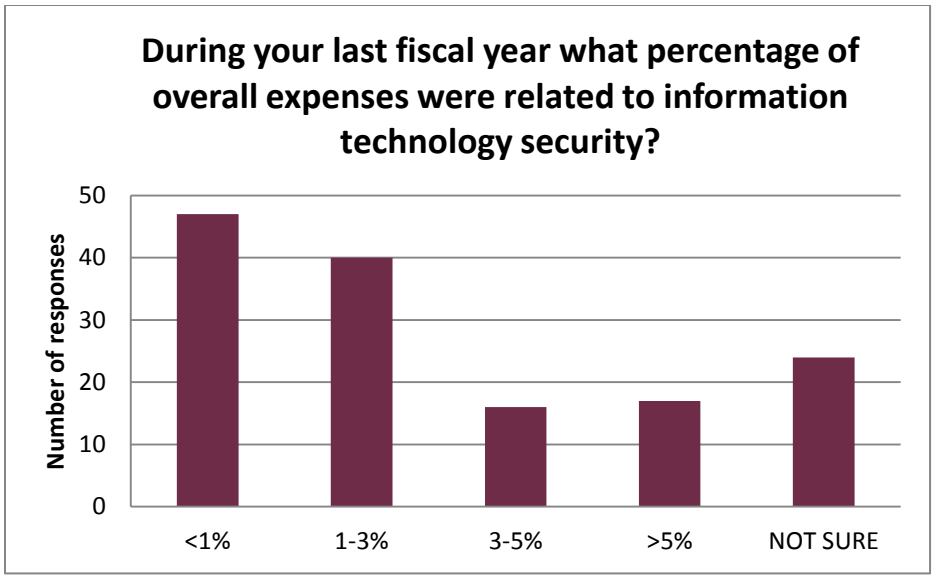
GENERIC FIRM INFORMATION

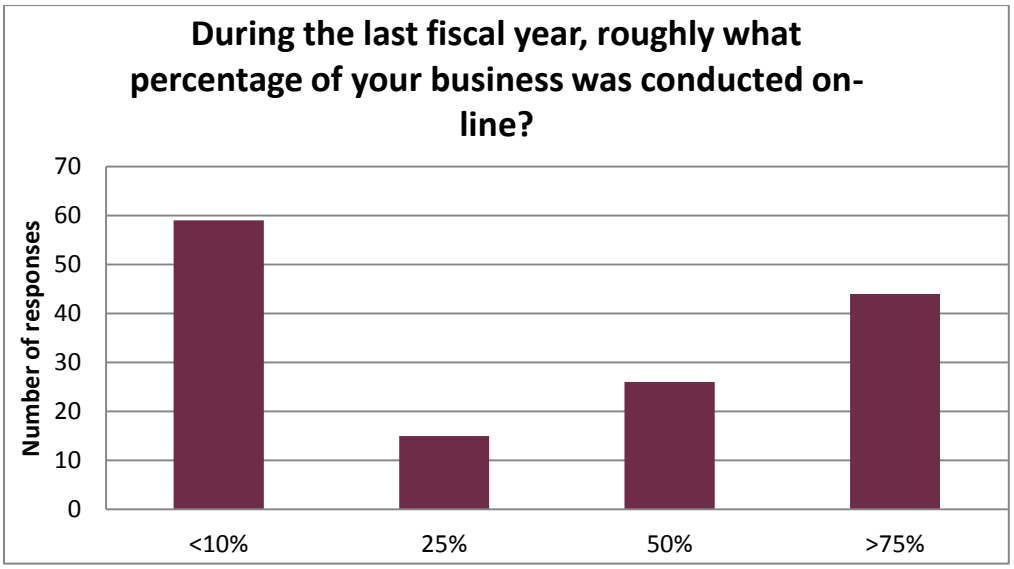


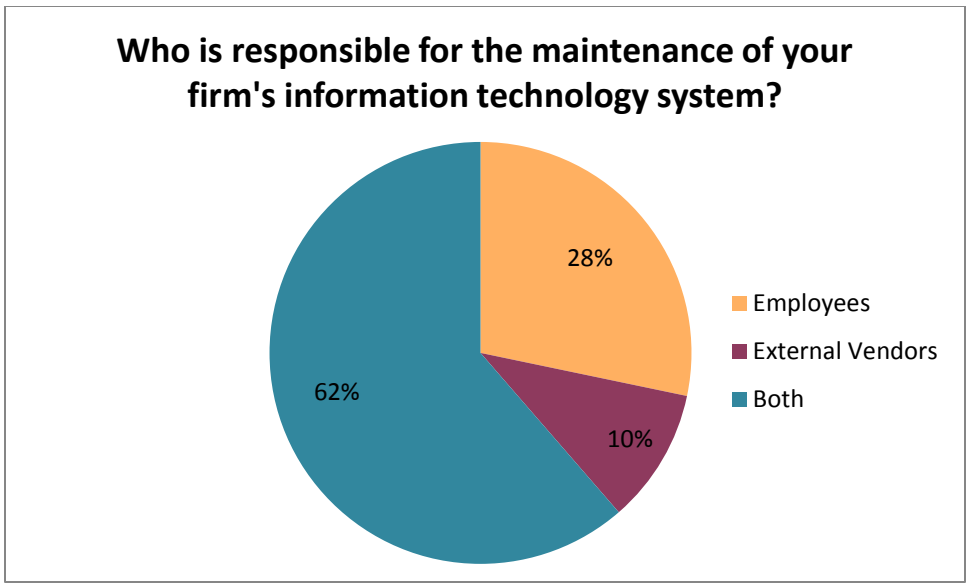




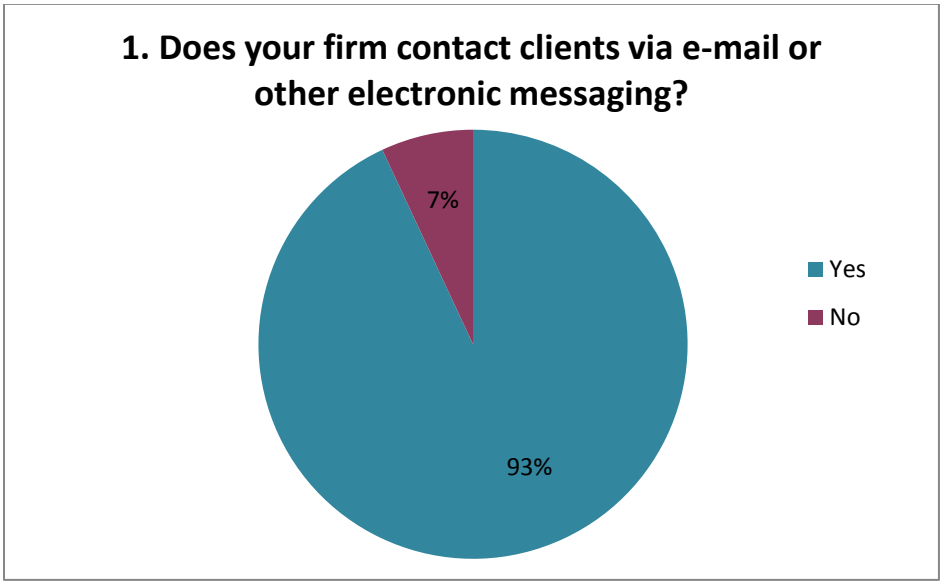

Total number of employees (Including non-registered and registered employees):
Less than 5
Between 5 and 10
More than 10
4%
10%
86%

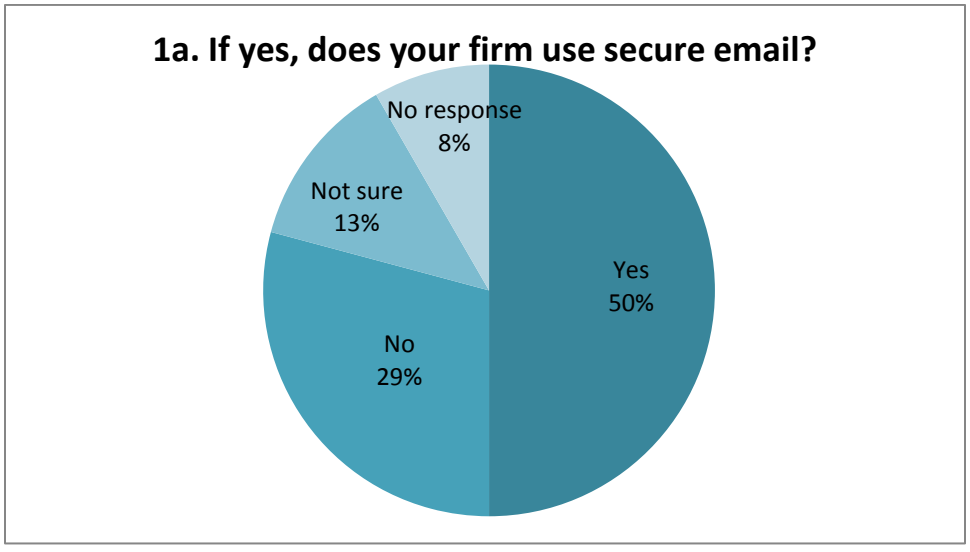

During your last fiscal year what percentage of overall expenses were related to information technology security?
Number of responses
50
40
30
20
10
0
<1%
1-3%
3-5%
>5%
NOT SURE


During the last fiscal year, roughly what percentage of your business was conducted on-line?
Number of responses
70
60
50
40
30
20
10
0
<10%
25%
50%
>75%

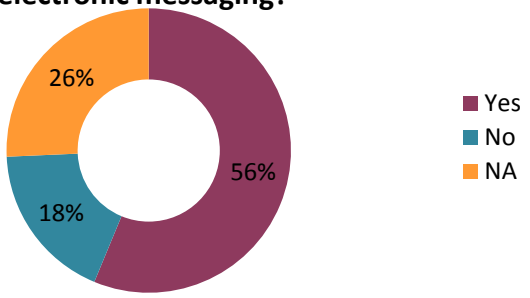


General Questions

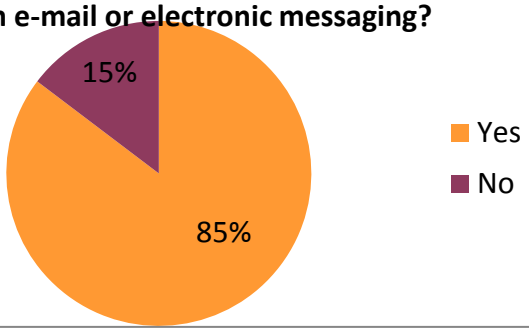




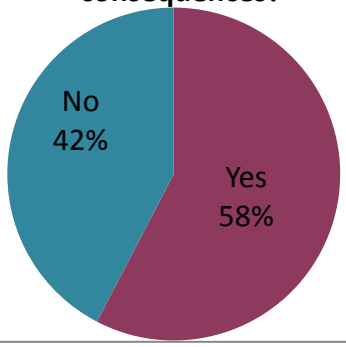
2. Does your firm use any procedures to authenticate instructions received from clients via e-mail or other electronic messaging?



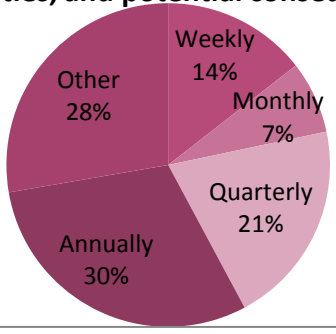
3. Does your firm use computers, tablets, smartphones, or other elctronic devices to access client information other than e-mail or electronic messaging?

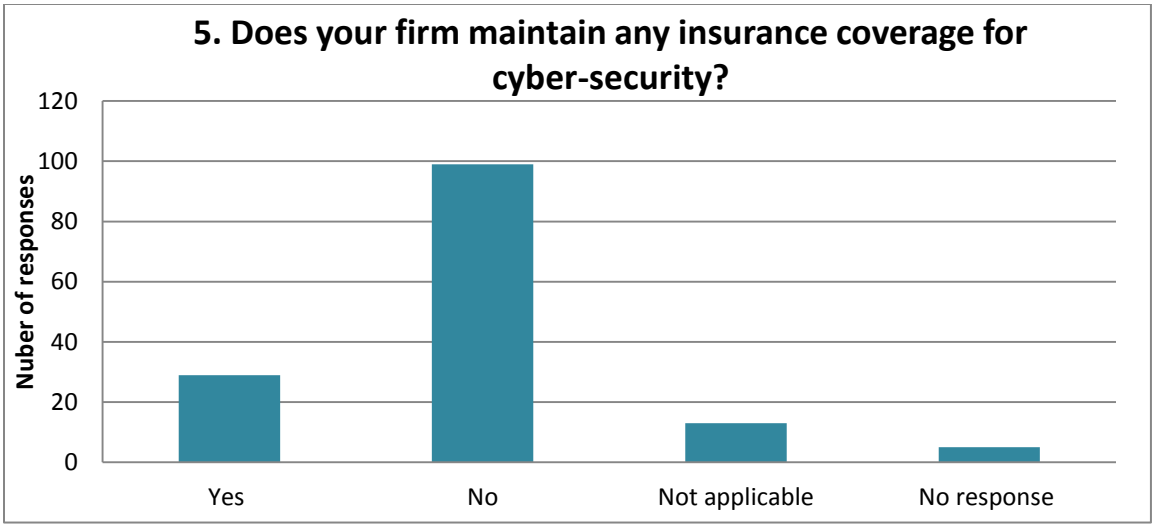


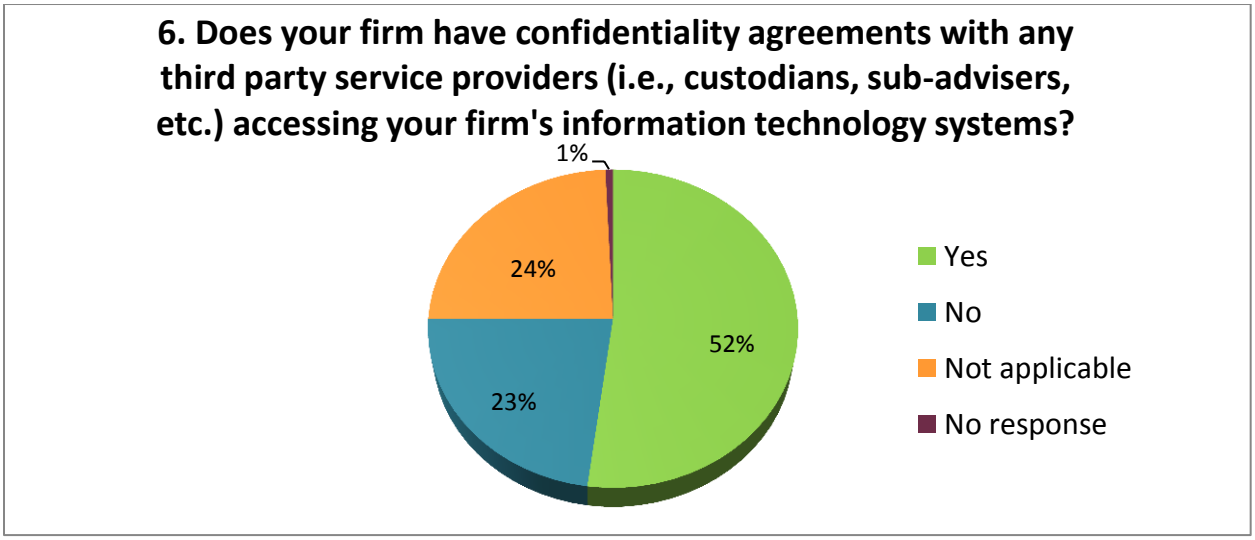
4. Does your firm conduct risk assessments to identify cyber-security threats, vulnerabilities, and potential consequences?

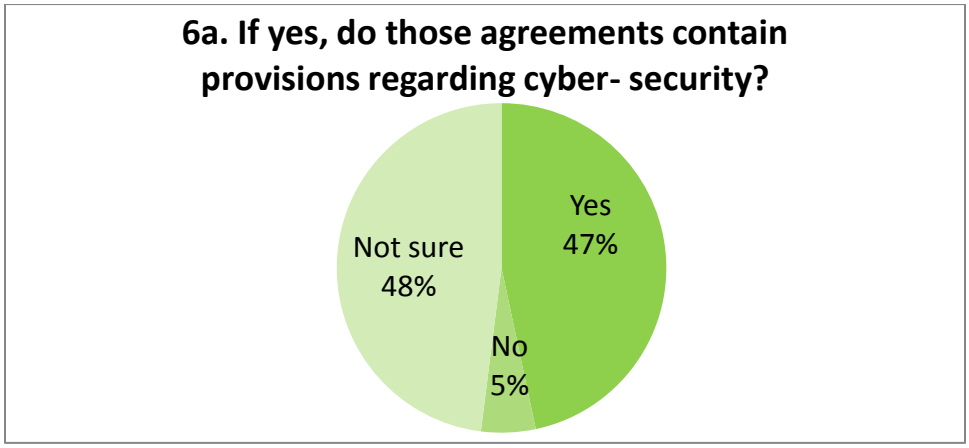


4a. If yes, how often does your firm conduct risk assessments to identify cyber-security threats, vulnerabilities, and potential consequences?



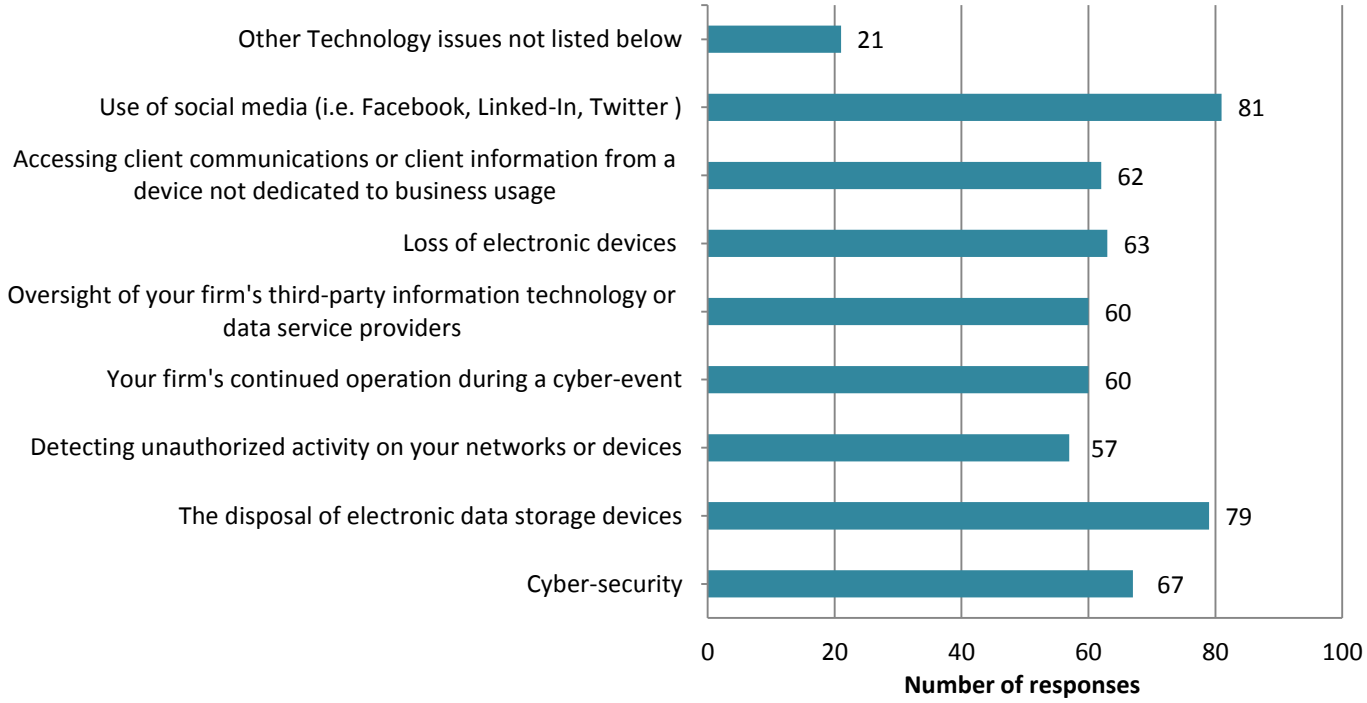

5. Does your firm maintain any insurance coverage for cyber-security?
Nuber of responses
120
100
80
60
40
20
0
Yes
No
Not applicable
No response


6. Does your firm have confidentiality agreements with any third party service providers (i.e., custodians, sub-advisers, etc.) accessing your firm's information technology systems?
1%
24%
52%
23%
Yes
No
Not applicable
No response


6a. If yes, do those agreements contain provisions regarding cyber- security?
Yes
47%
Not sure
48%
No
5%

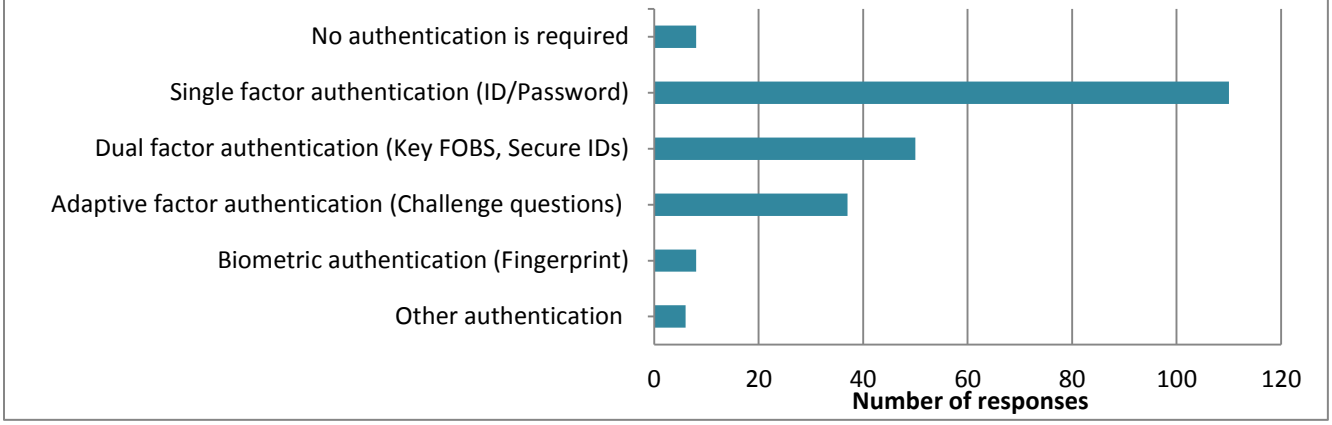
POLICIES/PROCEDURES & TRAINING

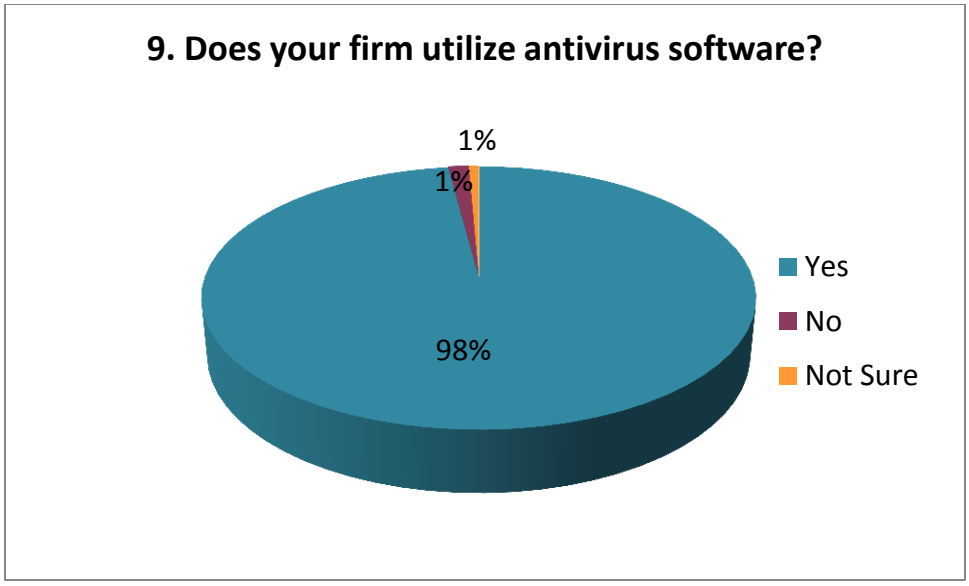
7. Does your firm have policies and procedures or training programs in place regarding any of the following (check all that apply):

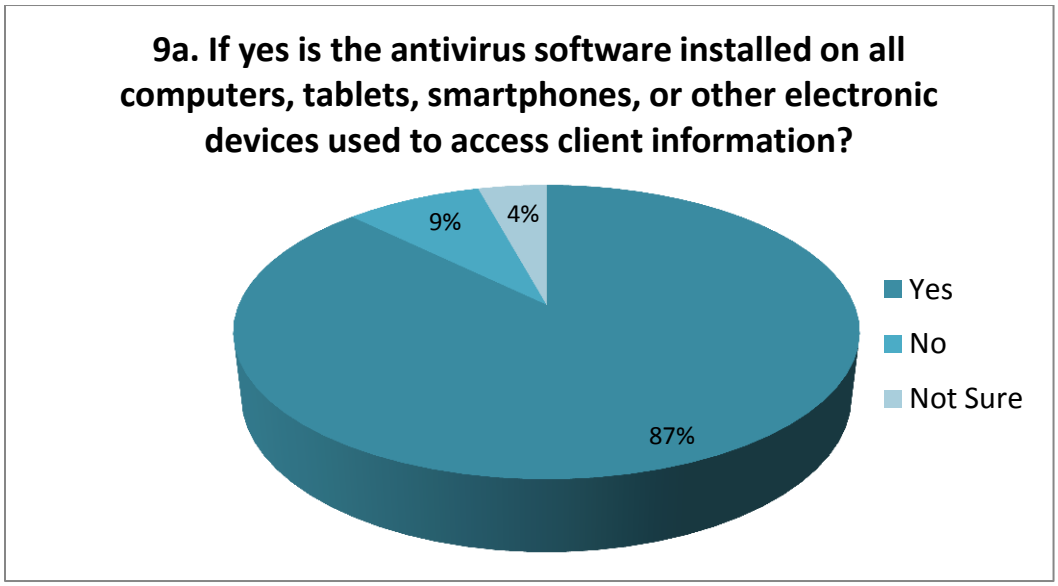


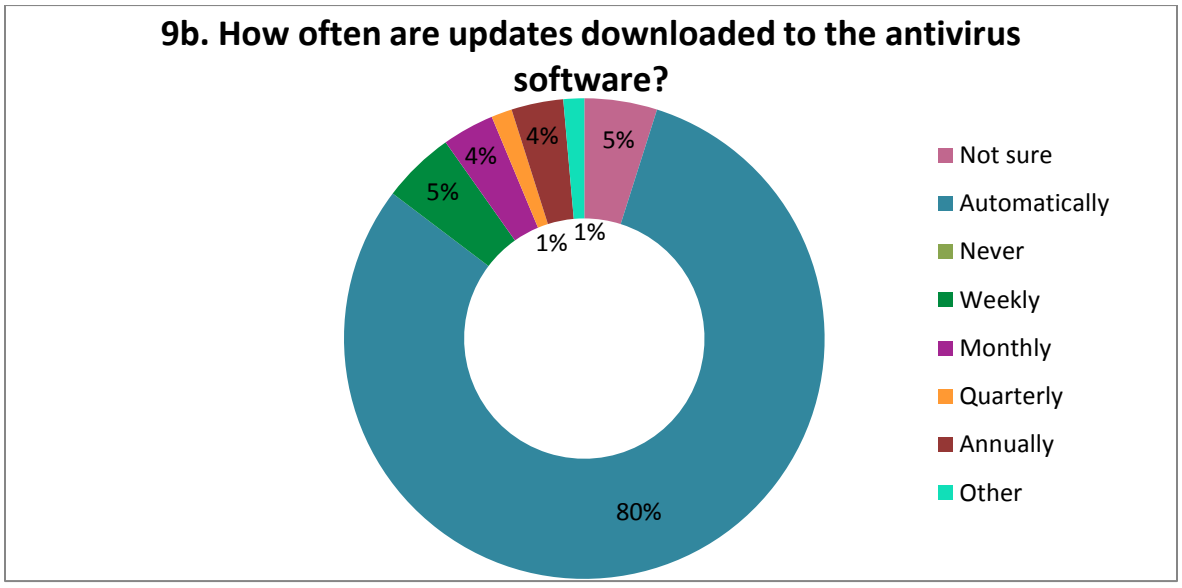
ACCESSING ELECTRONIC INFORMATION

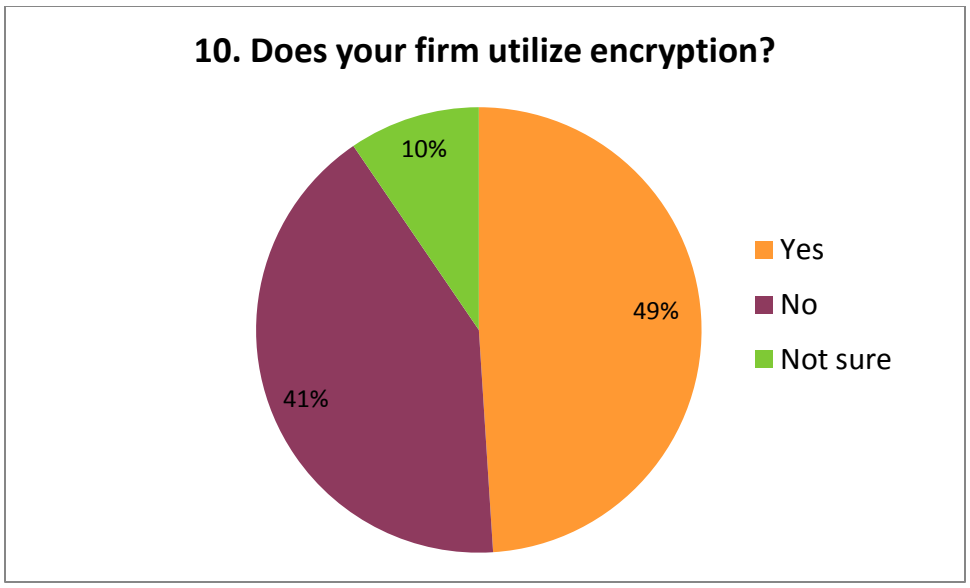
8. What forms of authentication are required by customers or employees to access electronic data storage devices, which allow access to client communications and/or client information (check all that apply):

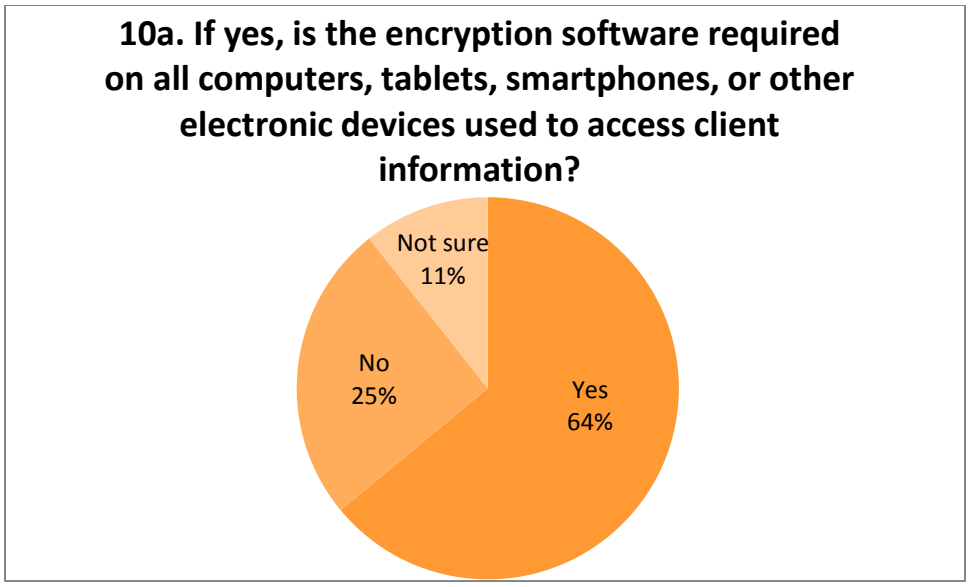


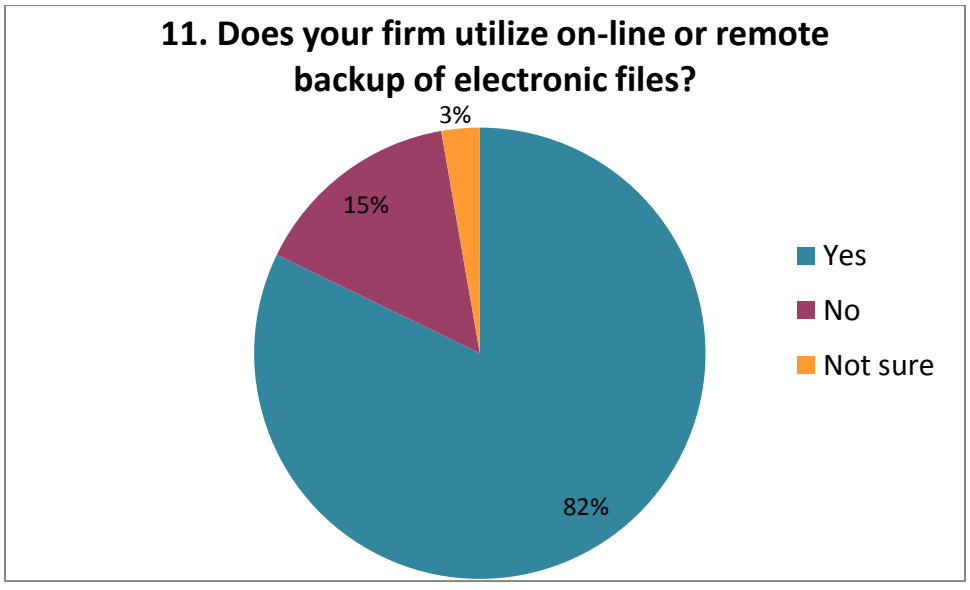

9. Does your firm utilize antivirus software?
1%
1%
98%
Yes
No
Not Sure


9a. If yes is the antivirus software installed on all computers, tablets, smartphones, or other electronic devices used to access client information?
9%
4%
87%
Yes
No
Not Sure

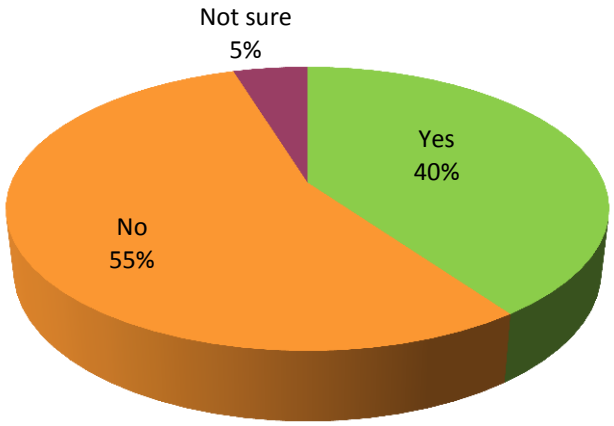

9b. How often are updates downloaded to the antivirus software?
5%
4%
4%
5%
1%
1%
80%
Not sure
Automatically
Never
Weekly
Monthly
Quarterly
Annually
Other


10. Does your firm utilize encryption?
10%
49%
41%
Yes
No
Not sure

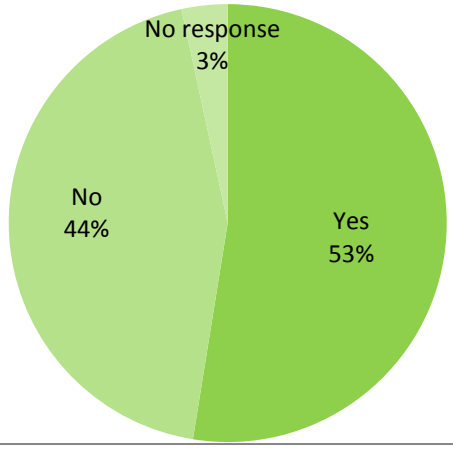

10a. If yes, is the encryption software required on all computers, tablets, smartphones, or other electronic devices used to access client information?
Not sure 11%
No 25%
Yes 64%


11. Does your firm utilize on-line or remote backup of electronic files?
3%
15%
82%
Yes
No
Not sure

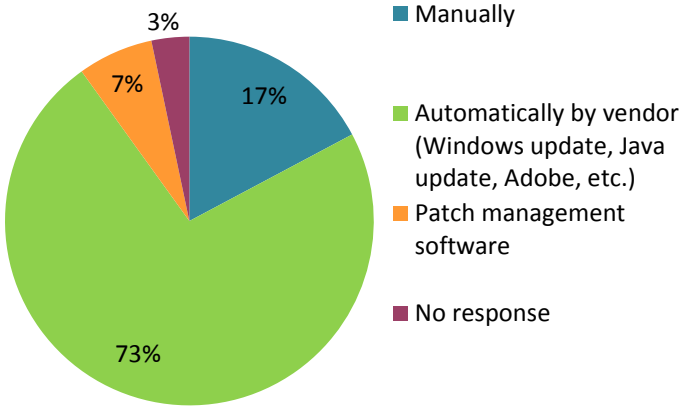
12. Does your firm allow remote access to servers or workstations via a virtual private network (VPN) or similar technology?



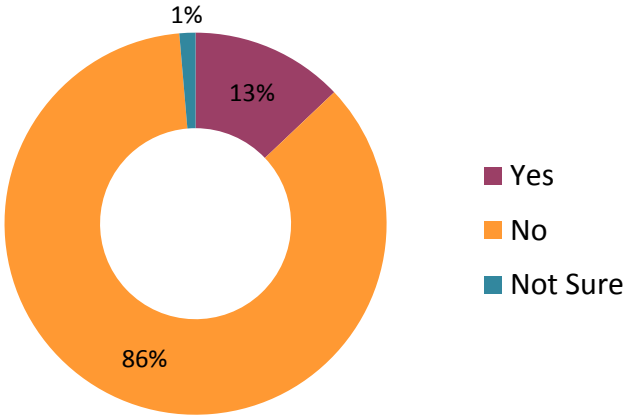
12a. If yes, do you require two factor authentications for access?



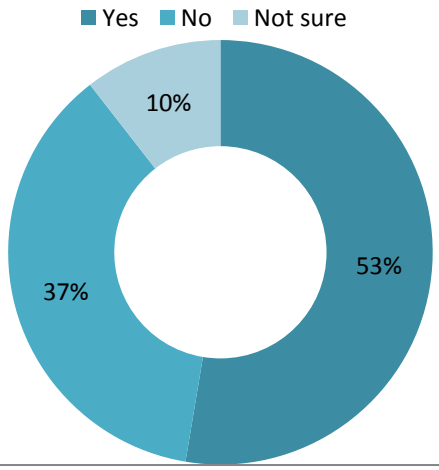
13. How does your firm patch laptop or tablet computers, or other portable electronic devices?



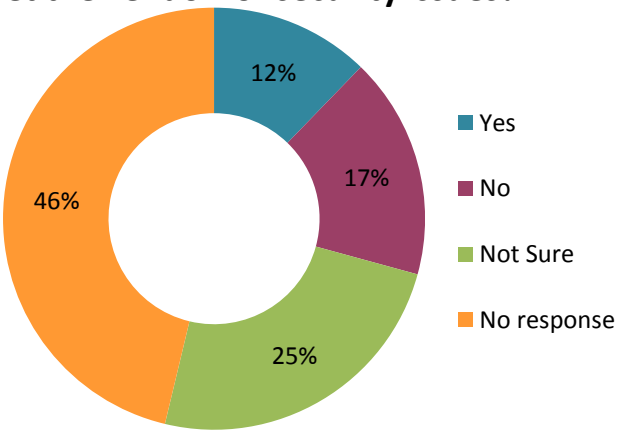
14. Does your firm use free Cloud services such as iCloud, Dropbox or Google Drive, to store personal and confidential client information?

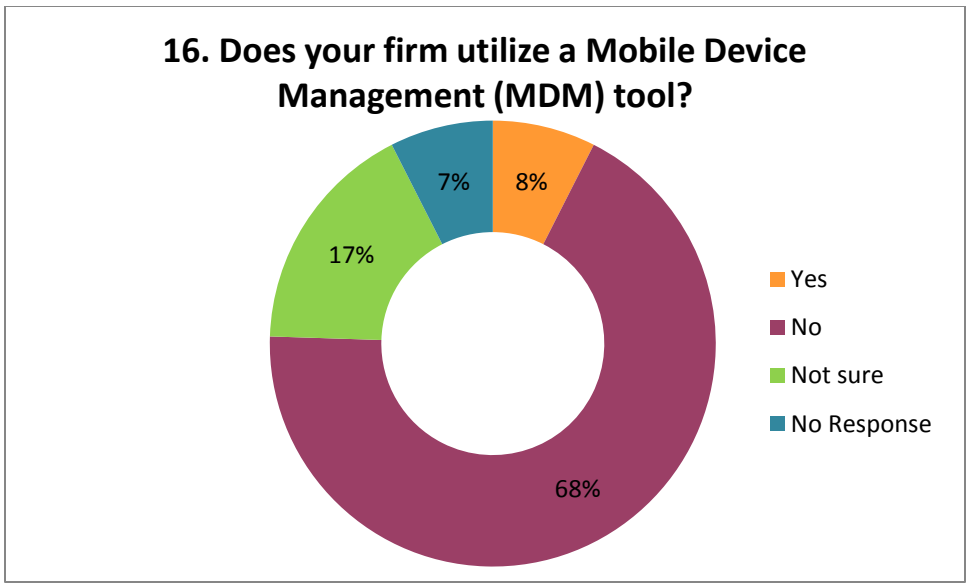


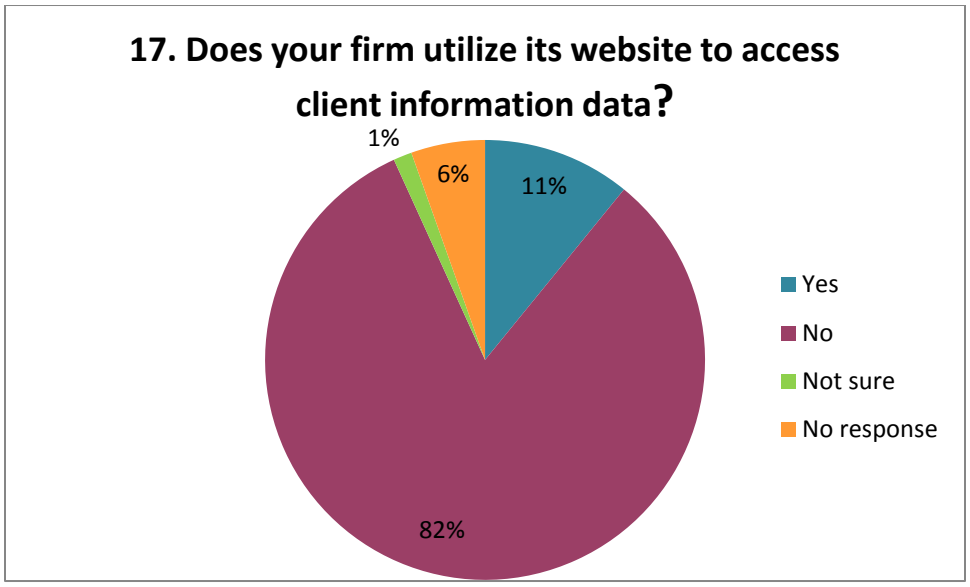
14a. If yes, is there a policy that stipulates how these services are to be used?

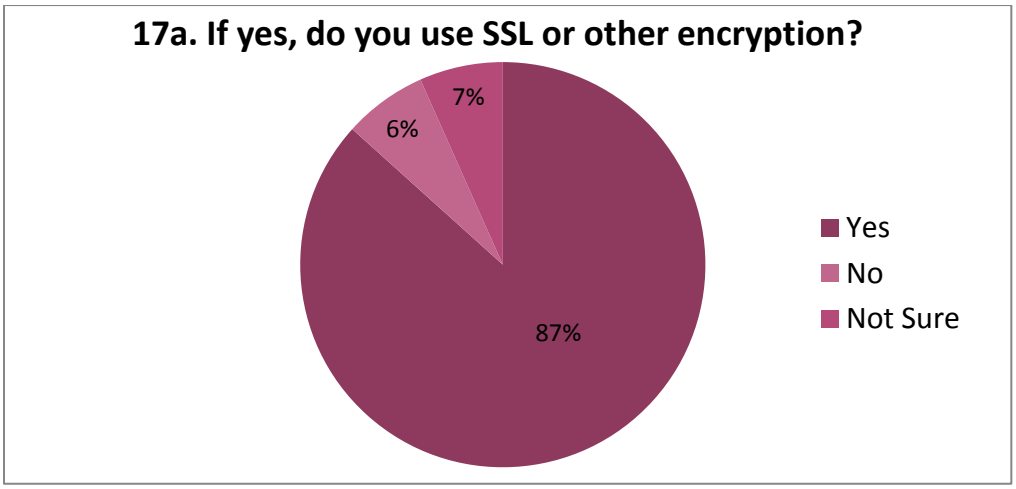


15. If your firm uses Software As A Service (SAAS) vendors for application development, do you vet the vendor for security issues?




16. Does your firm utilize a Mobile Device Management (MDM) tool?
7%
8%
17%
68%
Yes
No
Not sure
No Response


17. Does your firm utilize its website to access client information data?
1%
6%
11%
82%
Yes
No
Not sure
No response


17a. If yes, do you use SSL or other encryption?
7%
6%
87%
Yes
No
Not Sure