



## NYDFS 23 NYCRR 500

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**The NYDFS Cybersecurity Regulation (23 NYCRR 500) is a new set of regulations from the NY Department of Financial Services (NYDFS) that places cybersecurity requirements on all covered financial institutions.**

The rule, released on February 16th, 2017, includes 23 sections outlining the requirements for developing and implementing an effective cybersecurity program, requiring covered institutions to assess their cybersecurity risks and develop plans to proactively address those risks.

Companies that provide financial services that are identified as “covered entities” under the law have found themselves being required to take a hard look at their cybersecurity program and, in many cases, make significant improvements. Each year, they must file a certification with NYDFS confirming compliance with the regulations.

The NYDFS Cybersecurity Regulation is designed to promote the protection of customer information as well as the information technology systems of regulated entities.

## Third Party Compliance

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Section 500.11 of the regulation discusses Third Party Service Provider Security Policy. Not only do covered entities need to ensure that they're compliant but they need to take steps to ensure that third parties with access to their information systems and non-public information are sufficiently protecting their systems. Andesa has been working with its clients on several initiatives to assist them in their compliance with the new regulation as well as with our own compliance.

### **Steps that Andesa has taken include:**

- Encryption of data both in transit and at rest
- Improvements to the Software Development Lifecycle (SDLC) and penetration testing of web applications
- Implementation of an IT Governance Program
- Implementation of a Data Disposal Policy
- Implementation of multi-factor authentication for client access.

Andesa has committed itself making sure that our clients are able to certify their compliance with the regulation as well as provide for a more secure environment that will protect their sensitive data.

**For more industry guidance on Cybersecurity Regulation (23 NYCRR 500) from the NY department of Financial Services you can visit this link:**

**[https://www.dfs.ny.gov/industry\\_guidance/cybersecurity](https://www.dfs.ny.gov/industry_guidance/cybersecurity)**

## About Andesa

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Andesa began as a pioneer in the field of COLI/BOLI policy administration. Today more than 30 years later, Andesa provides comprehensive, integrated policy administration, plan administration and support solutions for life insurance and annuity carriers and producers. Partnered with numerous insurance companies (including 7 of the top 13 life and annuity carriers) along with several top distributors and producers, Andesa's integrated approach to insurance and plan administration results in efficiency gains, reduced hardware costs, mitigated compliance risk and improved market response. This comprehensive suite of services is offered in a secure, private cloud environment. The Company's highly-experienced team of U.S.-based professionals offers a true extension to a client's business, providing insurers and producers—large and small—with administrative support for complex product and plan offerings.

To learn more, visit our website at [andesaservices.com](https://andesaservices.com) or call 610-821-8980