



The Commonwealth of Massachusetts
William Francis Galvin, Secretary of the Commonwealth
Securities Division

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Standards for the Protection of Personal Information of Residents of the Commonwealth

The Massachusetts Office of Consumer Affairs and Business Regulation (the "OCABR") has issued regulations which set guidelines relative to how persons who store or have access to personal information in connection with the provision of goods or services must safeguard that information ("the Regulations"). The Regulations are titled "Standards for the Protection of Personal Information of Residents of the Commonwealth", and are located at 201 CMR 17.00 et seq. and on the OCABR website www.mass.gov/consumer. They became effective on March 1, 2010.

The Regulations outline specific requirements as to how businesses are to safeguard the personal information that they own, license, receive, store, maintain, process, or otherwise have access to. Many investment advisers will store or have access to such information and will be subject to the Regulations' provisions. Among its requirements, the Regulations require those subject to it to maintain a comprehensive security program that is written in one or more accessible parts and that is appropriate for their business (a "Program"). The Program must contain certain minimum elements outlined in the Regulations. If an investment adviser has access to personal information and electronically stores or transmits that information, there are additional requirements that, to the extent feasible, must be in the Program.

The Massachusetts Securities Division considers the Regulations as representing best practices in protecting the security of personal information. Investment Advisers must comply with the Regulations, which will help them to avoid the inadvertent disclosure of a client's personal information to third parties not entitled to that information, and in turn to remain in compliance with Massachusetts securities laws and regulations. The Division will be asking investment advisers to see their Program on routine examinations.

For complete details concerning these criteria and the Regulations, contact the Massachusetts Office of Consumer Affairs and Business Regulation at 617-973-8787 or 888-283-3757.