



BAI Banking Strategies: Cybersecurity Legislation Stalks Bank Directors

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In an article published on December 21, 2015, Joseph T. King discusses regulations and new legislation that puts bank directors in danger of being scrutinized for potential liability. One of the latest examples of practical guidance from the government is the Cyber Security Assessment Tool released by the Federal Financial Institutions Examination Council (FFIEC). It resembles a guide for a financial institution board of directors that sets expectations regarding management of the inherent risks of a data breach, notifications policies and preventative measures. "Because the Federal Reserve has announced plans to utilize the Assessment in late 2015 or early 2016 as part of the examination process when evaluating financial institutions, bank leadership would be wise to follow the guidelines from the Assessment to better protect against the increasing cascade of legislation aimed at protecting customer data," King explains. The article also details the regulatory response to the volume of recent cybersecurity breaches and the potential for directors to be held liable if they fail to take appropriate action in line with regulatory guidance and updates.

View the full article, "[Cybersecurity Legislation Stalks Bank Directors](#)".