RadarFirst

REG S-P READINESS SELF ASSESSMENT

CAN YOU DEFEND YOUR LAST REGULATION S-P DECISION?

A PRACTICAL OPERATIONAL READINESS ASSESSMENT FOR BROKER-DEALERS

The SEC's amendments to Regulation S-P establish a documented federal framework for incident response and customer notification. The exposure is no longer limited to whether an incident occurred. The exposure is whether your firm can demonstrate that:

- **Awareness was properly captured**
- **A reasonable investigation was conducted**
- **Harm was evaluated using consistent criteria**
- **Vendor escalation was controlled**
- **The 30-day timeline was governed**
- **Documentation is preserved in an exam-ready format**

This 5-minute assessment evaluates your operational readiness across the core control expectations introduced by the amended rule.

1 AWARENESS AND TIMELINE CONTROL

Is the date your firm became aware that unauthorized access to or use of customer information occurred or was reasonably likely to have occurred formally captured in a structured system?
☐ **Yes** ☐ **No** ☐ **Sometimes**

Once awareness is established, is the 30-day federal notification timeline automatically tracked?
☐ **Yes** ☐ **No** ☐ **Manually**

Is there clear cross-functional ownership of the 30-day deadline across Compliance, Legal, and Security?
☐ **Yes** ☐ **No** ☐ **Informal**

2 INVESTIGATION AND HARM DETERMINATION STRUCTURE

Is each incident supported by a documented reasonable investigation prior to concluding whether notification is required?
☐ **Yes, standardized** ☐ **Case-by-case** ☐ **No formal criteria**

Do you use defined and standardized criteria to evaluate whether substantial harm or inconvenience is reasonably likely?
☐ **Yes** ☐ **No** ☐ **Varies**

Can you demonstrate that similar incidents have received similar harm evaluations across business units?
☐ **Yes** ☐ **No** ☐ **Not sure**

3 VENDOR OVERSIGHT AND 72-HOUR CONTROL

Are service provider breach notices centrally logged upon receipt?
☐ **Yes** ☐ **No** ☐ **Stored in email**

Do your vendor agreements require service providers to notify your firm as soon as possible, but no later than 72 hours after becoming aware of a breach in security resulting in unauthorized access to a customer information system they maintain?
☐ **Yes** ☐ **No** ☐ **Not sure**

Is vendor notification timing monitored, documented, and integrated into your internal incident response workflow?
☐ **Yes** ☐ **No** ☐ **Informal**

4 DOCUMENTATION AND RECORDKEEPING CONTROL

Is your investigation record preserved in a centralized system of record rather than dispersed across email, tickets, or shared drives?

☐ **Yes** ☐ **No** ☐ **Partially**

Does your system preserve investigation notes, decision rationale, and timestamps in a consistent, structured format?

☐ **Yes** ☐ **No** ☐ **In email chains**

Does your recordkeeping system maintain a time-stamped audit trail of modifications and preserve incident records in accordance with applicable SEC retention requirements?

☐ **Yes** ☐ **No** ☐ **Not sure**

5 ENTERPRISE CONSISTENCY AND SUPERVISORY CONTROL

Are incident response processes and harm determinations standardized across business units and operating entities?

☐ **Yes** ☐ **No** ☐ **Not fully**

Does Compliance have real-time visibility into incident status, harm evaluations, vendor escalation, and timeline tracking?

☐ **Yes** ☐ **No** ☐ **Limited visibility**

SCORING

For each question:
Yes = 0 risk points
Sometimes / Informal / Case-by-case / Partially / Not sure = 1 risk point
No / Stored in email / Would require reconstruction = 2 risk points

Maximum score: 32

RISK CATEGORIES

0–6 Points | Low Operational Risk

Your workflow appears aligned with the core incident response and documentation expectations under amended Regulation S-P.

7–14 Points | Moderate Risk

Manual controls, fragmented logging, or inconsistent documentation may create examination exposure.

15+ Points | Elevated Regulatory Exposure

Your current incident workflow may not meet the structured investigation, consistency, and record preservation standards introduced by the amended rule.

COMMON GAPS IDENTIFIED ACROSS BROKER-DEALERS

- Awareness date not formally structure
- 30-day clock tracked manually
- Harm logic applied inconsistently
- Vendor notices are fragmented across email
- Investigation documentation reconstructed prior to exam
- Audit trail and retention requirements not fully aligned with SEC standards

If your score is above 7, consider a structured Regulation S-P workflow review.

Schedule a 20-minute session to compare your current incident process to the amended regulatory framework and identify potential documentation and supervisory gaps.

SCHEDULE TIME