

Backstop Solutions Group Platforms Help Managers Comply with the Massachusetts Standards for the Protection of Personal Information (201 CMR 17)

Wednesday, February 24, 2010 – Backstop Solutions Group (BSG), LLC, a leading provider of Software-as-a-Service platforms for the alternative asset management industry, announced today that its software services help managers comply with the recently passed Massachusetts Standards for the Protection of Personal Information (201 CMR 17), scheduled to take effect on Monday, March 1, 2010.

CMR 17 applies to all organizations that hold the names of Massachusetts residents, along with sensitive personal information such as a social security number, account number, or certain other pieces of information that are less commonly retained by fund managers.

Whether an organization is located in London, Hong Kong, Singapore or the United States, CMR 17 still applies as long as it is conducting business with Massachusetts residents.

CMR 17 requires that firms have adequate protective systems in place to prevent the unauthorized access of any Personal Information (PI) contained in paper and electronic records. Common issues for fund managers include requirements to: establish a Written Information Security Policy (WISP), encrypt all PI on mobile devices (such as laptops, and Blackberry devices), encrypt PI when it is transmitted across public or wireless networks, assign unique logins for each employee to each information system that they access, and to grant employee access to PI on a need-to-know basis.

“We’ve always taken the security of our users’ Personal Information seriously,” said Andy Pruitt, Chief Technology Officer (CTO). “Because we are a third-party, our software services enhance an organization’s ability to construct a comprehensive solution and reduce individual employee access to Personal Information.”

BSG’s software platforms, used by hundreds of managers globally, make it easier for them to establish and maintain compliance with CMR 17.

- All data stored in Backstop and InvestorBridge is encrypted in transit over public networks and wirelessly via state of the art TLS 256bit encryption technology.
- Backstop is a roles-based system that allows managers to restrict user access to PI and enables managers to control whether users can view tax ids, investor accounts, or other types of data within the application.
- Backstop’s optional Advanced Security Module allows managers to further partition PI, so that users can only see records for which they have a need-to-know.
- Backstop and Backstop Mobile do not store PI on your portable devices. Because it is a web-based application, users’ laptops and portable wireless devices used to access the software will not store PI locally. All data is warehoused in our hardened data centers.
- Backstop gives managers the ability to restrict access by IP address, control password strength and expiration requirements, and provides user session audit trails.
- InvestorBridge makes it easy to distribute sensitive documents containing PI to investors and prospective clients over an encrypted, password protected connection, thus avoiding the potential hazards of email based communication.

In addition to establishing and maintaining their internal compliance and monitoring programs, as a holder of Personal Information, organizations must also verify that their Service Providers are in compliance with CMR 17. Backstop Solutions Group has reviewed its policies and WISP to ensure its business practices conform to the law. The company has implemented and maintains appropriate security measures for PI, as specified by CMR-17.

You can learn more about CMR 17 from these and other resources provided by the state of Massachusetts:

<http://www.mass.gov/Eoca/docs/idtheft/201CMR1700reg.pdf>

http://www.mass.gov/Eoca/docs/idtheft/compliance_checklist.pdf

About Backstop Solutions Group

Backstop Solutions Group, LLC is a privately held Software-as-a-Service (SaaS) platform company, providing cutting-edge software to hedge funds, funds of funds, endowments and other institutional investors. Backstop Solutions was founded in 2003 and is one of the fastest growing software providers in the financial services industry. Backstop software is used by more than 230 firms throughout the United States, Europe and Asia and has been repeatedly recognized by industry leading managers and service providers as a top technology provider in the alternative asset management field.

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