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CIPM

Certified Information Privacy Manager



Version 1.0

Exam A

QUESTION 1

In addition to regulatory requirements and business practices, what important factors must a global privacy strategy consider?

- A. Monetary exchange
- B. Geographic features
- C. Political history
- D. Cultural norms

Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

QUESTION 2 How are individual program needs and specific organizational goals identified in privacy framework development?

- A. By employing metrics to align privacy protection with objectives
- B. Through conversations with the privacy team
- C. By employing an industry-standard needs analysis
- D. Through creation of the business case

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

Reference: https://www.nist.gov/system/files/documents/2020/01/16/NIST%20Privacy%20Framework_V1.0.pdf

QUESTION 3 In privacy protection, what is a “covered entity”?

- A. Personal data collected by a privacy organization
- B. An organization subject to the privacy provisions of HIPAA
- C. A privacy office or team fully responsible for protecting personal information
- D. Hidden gaps in privacy protection that may go unnoticed without expert analysis

Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

Reference: https://www.healthit.gov/sites/default/files/pdf/privacy/onc_privacy_and_security_chapter4_v1_022112.pdf

QUESTION 4 Which of the following is an example of Privacy by Design (PbD)?

- A. A company hires a professional to structure a privacy program that anticipates the increasing demands of new laws.
- B. The human resources group develops a training program from employees to become certified in privacy policy.
- C. A labor union insists that the details of employers' data protection methods be documented in a new contract.
- D. The information technology group uses privacy considerations to inform the development of new networking software.

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

Reference: <https://www.privacypolicies.com/blog/privacy-by-design/>

QUESTION 5 What is the key factor that lays the foundation for all other elements of a privacy program?

- A. The applicable privacy regulations
- B. The structure of a privacy team
- C. A privacy mission statement
- D. A responsible internal stakeholder

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

QUESTION 6 SCENARIO Please use the following to answer the next question:

For 15 years, Albert has worked at Treasure Box – a mail order company in the United States (U.S.) that used to sell decorative candles around the world, but has recently decided to limit its shipments to customers in the 48 contiguous states. Despite his years of experience, Albert is often overlooked for managerial positions. His frustration about not being promoted, coupled with his recent interest in issues of privacy protection, have motivated Albert to be an agent of positive change.

He will soon interview for a newly advertised position, and during the interview, Albert plans on making executives aware of lapses in the company's privacy program. He feels certain he will be rewarded with a promotion for preventing negative consequences resulting from the company's outdated policies and procedures.

For example, Albert has learned about the AICPA (American Institute of Certified Public Accountants)/CICA (Canadian Institute of Chartered Accountants) Privacy Maturity Model (PMM). Albert thinks the model is a useful way to measure Treasure Box's ability to protect personal data. Albert has noticed that Treasure Box fails to meet the requirements of the highest level of maturity of this model; at his interview, Albert will pledge to assist the company with meeting this level in order to provide customers with the most rigorous security available.

Albert does want to show a positive outlook during his interview. He intends to praise the company's commitment to the security of customer and employee personal data against external threats. However, Albert worries about the high turnover rate within the company, particularly in the area of direct phone marketing. He sees many unfamiliar faces every day who are hired to do the marketing, and he often hears complaints in the lunch room regarding long hours and low pay, as well as what seems to be flagrant disregard for company procedures.

In addition, Treasure Box has had two recent security incidents. The company has responded to the incidents with internal audits and updates to security safeguards. However, profits still seem to be affected and anecdotal evidence indicates that many people still harbor mistrust. Albert wants to help the company recover. He knows there is at least one incident the public is unaware of, although Albert does not know the details. He believes the company's insistence on keeping the incident a secret could be a further detriment to its reputation. One further way that Albert wants to help Treasure Box regain its stature is by creating a toll-free number for customers, as well as a more efficient procedure for responding to customer concerns by postal mail.

In addition to his suggestions for improvement, Albert believes that his knowledge of the company's recent business maneuvers will also impress the interviewers. For example, Albert is aware of the company's intention to acquire a medical supply company in the coming weeks.

With his forward thinking, Albert hopes to convince the managers who will be interviewing him that he is right for the job.

In consideration of the company's new initiatives, which of the following laws and regulations would be **most** appropriate for Albert to mention at the interview as a priority concern for the privacy team?

- A. Gramm-Leach-Bliley Act (GLBA)
- B. The General Data Protection Regulation (GDPR)
- C. The Telephone Consumer Protection Act (TCPA)
- D. Health Insurance Portability and Accountability Act (HIPAA)

Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

QUESTION 7 SCENARIO Please use the following to answer the next question:

For 15 years, Albert has worked at Treasure Box – a mail order company in the United States (U.S.) that used to sell decorative candles around the world, but has recently decided to limit its shipments to customers in the 48 contiguous states. Despite his years of experience, Albert is often overlooked for managerial positions. His frustration about not being promoted, coupled with his recent interest in issues of privacy protection, have motivated Albert to be an agent of positive change.

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On which of the following topics does Albert **most likely** need additional knowledge?



- A. The role of privacy in retail companies
- B. The necessary maturity level of privacy programs
- C. The possibility of delegating responsibilities related to privacy
- D. The requirements for a managerial position with privacy protection duties

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

QUESTION 8 SCENARIO Please use the following to answer the next question:

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With his forward thinking, Albert hopes to convince the managers who will be interviewing him that he is right for the job.

Based on Albert's observations, executive leadership should **most likely** pay closer attention to what?

- A. Awareness campaigns with confusing information
- B. Obsolete data processing systems
- C. Outdated security frameworks
- D. Potential in-house threats

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

QUESTION 9 SCENARIO Please use the following to answer the next question:

For 15 years, Albert has worked at Treasure Box – a mail order company in the United States (U.S.) that used to sell decorative candles around the world, but has recently decided to limit its shipments to customers in the 48 contiguous states. Despite his years of experience, Albert is often overlooked for managerial positions. His frustration about not being promoted, coupled with his recent interest in issues of privacy protection, have motivated Albert to be an agent of positive change.

He will soon interview for a newly advertised position, and during the interview, Albert plans on making executives aware of lapses in the company's privacy program. He feels certain he will be rewarded with a promotion for preventing negative consequences resulting from the company's outdated policies and procedures.

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With his forward thinking, Albert hopes to convince the managers who will be interviewing him that he is right for the job.

Based on Albert's observations regarding recent security incidents, which of the following should he suggest as a priority for Treasure Box?

- A. Appointing an internal ombudsman to address employee complaints regarding hours and pay.
- B. Using a third-party auditor to address privacy protection issues not recognized by the prior internal audits.
- C. Working with the Human Resources department to make screening procedures for potential employees more rigorous.
- D. Evaluating the company's ability to handle personal health information if the plan to acquire the medical supply company goes forward

Correct Answer: D
Section: (none)
Explanation

Explanation/Reference:

QUESTION 10 SCENARIO Please use the following to answer the next question:

For 15 years, Albert has worked at Treasure Box – a mail order company in the United States (U.S.) that used to sell decorative candles around the world, but has recently decided to limit its shipments to customers in the 48 contiguous states. Despite his years of experience, Albert is often overlooked for managerial positions. His frustration about not being promoted, coupled with his recent interest in issues of privacy protection, have motivated Albert to be an agent of positive change.

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What is one important factor that Albert fails to consider regarding Treasure Box's response to their recent security incident?

- A. Who has access to the data
- B. What the nature of the data is
- C. How data at the company is collected
- D. How long data at the company is kept

Correct Answer: D
Section: (none)
Explanation

Explanation/Reference:

QUESTION 11 SCENARIO Please use the following to answer the next question:

Penny has recently joined Ace Space, a company that sells homeware accessories online, as its new privacy officer. The company is based in California but thanks to some great publicity from a social media influencer last year, the company has received an influx of sales from the EU and has set up a regional office in Ireland to support this expansion. To become familiar with Ace Space's practices and assess what her privacy priorities will be, Penny has set up meetings with a number of colleagues to hear about the work that they have been doing and their compliance efforts.

Penny's colleague in Marketing is excited by the new sales and the company's plans, but is also concerned that Penny may curtail some of the growth opportunities he has planned. He tells her *"I heard someone in the breakroom talking about some new privacy laws but I really don't think it affects us. We're just a small company. I mean we just sell accessories online, so what's the real risk?"* He has also told her that he works with a number of small companies that help him get projects completed in a hurry. *"We've got to meet our deadlines otherwise we lose money. I just sign the contracts and get Jim in finance to push through the payment. Reviewing the contracts takes time that we just don't have."*

In her meeting with a member of the IT team, Penny has learned that although Ace Space has taken a number of precautions to protect its website from malicious activity, it has not taken the same level of care of its physical files or internal infrastructure. Penny's colleague in IT has told her that a former employee lost an encrypted USB key with financial data on it when he left. The company nearly lost access to their customer database last year after they fell victim to a phishing attack. Penny is told by her IT colleague that the IT team *"didn't know what to do or who should do what. We hadn't been trained on it but we're a small team though, so it worked out OK in the end."* Penny is concerned that these issues will compromise Ace Space's privacy and data protection.

Penny is aware that the company has solid plans to grow its international sales and will be working closely with the CEO to give the organization a data "shake up". Her mission is to cultivate a strong privacy culture within the company.

Penny has a meeting with Ace Space's CEO today and has been asked to give her first impressions and an overview of her next steps.

To help Penny and her CEO with their objectives, what would be the **most** helpful approach to address her IT concerns?

- A. Roll out an encryption policy
- B. Undertake a tabletop exercise
- C. Ensure inventory of IT assets is maintained
- D. Host a town hall discussion for all IT employees

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

QUESTION 12 SCENARIO Please use the following to answer the next question:

For 15 years, Albert has worked at Treasure Box – a mail order company in the United States (U.S.) that used to sell decorative candles around the world, but has recently decided to limit its shipments to customers in the 48 contiguous states. Despite his years of experience, Albert is often overlooked for managerial positions. His frustration about not being promoted, coupled with his recent interest in issues of privacy protection, have motivated Albert to be an agent of positive change.

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The company may start to earn back the trust of its customer base by following Albert's suggestion regarding which handling procedure?

- A. Access
- B. Correction
- C. Escalation
- D. Data Integrity

Correct Answer: D

Section: (none)

Explanation

Explanation/Reference:

QUESTION 13 “Collection,” “access” and “destruction” are aspects of what privacy management process?

- A. The data governance strategy
- B. The breach response plan
- C. The metric life cycle
- D. The business case

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

QUESTION 14 What does it mean to “rationalize” data protection requirements?

- A. Evaluate the costs and risks of applicable laws and regulations and address those that have the greatest penalties
- B. Look for overlaps in laws and regulations from which a common solution can be developed
- C. Determine where laws and regulations are redundant in order to eliminate some from requiring compliance
- D. Address the less stringent laws and regulations, and inform stakeholders why they are applicable

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

QUESTION 15 SCENARIO Please use the following to answer the next question:

Paul Daniels, with years of experience as a CEO, is worried about his son Carlton’s successful venture, Gadgo. A technological innovator in the communication industry that quickly became profitable, Gadgo has moved beyond its startup phase. While it has retained its vibrant energy, Paul fears that under Carlton’s direction, the company may not be taking its risks or obligations as seriously as it needs to. Paul has hired you, a privacy Consultant, to assess the company and report to both father and son. “Carlton won’t listen to me,” Paul says, “but he may pay attention to an expert.”

Gadgo’s workplace is a clubhouse for innovation, with games, toys, snacks, espresso machines, giant fish tanks and even an iguana who regards you with little interest. Carlton, too, seems bored as he describes to you the company’s procedures and technologies for data protection. It’s a loose assemblage of controls, lacking consistency and with plenty of weaknesses. “This is a technology company,” Carlton says. “We create. We innovate. I don’t want unnecessary measures that will only slow people down and clutter their thoughts.”

The meeting lasts until early evening. Upon leaving, you walk through the office. It looks as if a strong windstorm has recently blown through, with papers scattered across desks and tables and even the floor. A “cleaning crew” of one teenager is emptying the trash bins. A few computers have been left on for the night; others are missing. Carlton takes note of your attention to this: “Most of my people take their laptops home with them, or use their own tablets or phones. I want them to use whatever helps them to think and be ready day or night for that great insight. It may only come once!” What would be the **best** kind of audit to recommend for Gadgo?

- A. A supplier audit
- B. An internal audit
- C. A third-party audit
- D. A self-certification

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

QUESTION 16 SCENARIO Please use the following to answer the next question:

Paul Daniels, with years of experience as a CEO, is worried about his son Carlton's successful venture, Gadgo. A technological innovator in the communication industry that quickly became profitable, Gadgo has moved beyond its startup phase. While it has retained its vibrant energy, Paul fears that under Carlton's direction, the company may not be taking its risks or obligations as seriously as it needs to. Paul has hired you, a privacy Consultant, to assess the company and report to both father and son. "Carlton won't listen to me," Paul says, "but he may pay attention to an expert."

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- A. Ad hoc
- B. Defined
- C. Repeatable
- D. Managed

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

Reference: https://vvena.nl/wp-content/uploads/2018/04/aicpa_cica_privacy_maturity_model.pdf (page 2)



QUESTION 17 Which statement is **FALSE** regarding the use of technical security controls?

- A. Most privacy legislation enumerates the types of technical security controls that must be implemented
- B. Technical security controls are part of a data governance strategy
- C. Technical security controls deployed for one jurisdiction often satisfy another jurisdiction
- D. A security engineer should be involved with the deployment of technical security controls

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:**QUESTION 18**

Why were the nongovernmental privacy organizations, Electronic Frontier Foundation (EFF) and Electronic Privacy Information Center (EPIC), established?

- A. To promote consumer confidence in the Internet industry
- B. To improve the user experience during online shopping
- C. To protect civil liberties and raise consumer awareness
- D. To promote security on the Internet through strong encryption

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

Reference: https://en.wikipedia.org/wiki/Electronic_Privacy_Information_Center

QUESTION 19

An organization's business continuity plan or disaster recovery plan does **NOT** typically include what?

- A. Recovery time objectives
- B. Emergency Response Guidelines
- C. Statement of organizational responsibilities
- D. Retention schedule for storage and destruction of information

Correct Answer: D

Section: (none)

Explanation

Explanation/Reference:

QUESTION 20 SCENARIO Please use the following to answer the next question:

Henry Home Furnishings has built high-end furniture for nearly forty years. However, the new owner, Anton, has found some degree of disorganization after touring the company headquarters. His uncle Henry has always focused on production – not data processing – and Anton is concerned. In several storage rooms, he has found paper files, disks, and old computers that appear to contain the personal data of current and former employees and customers. Anton knows that a single break-in could irrevocably damage the company's relationship with its loyal customers. He intends to set a goal of guaranteed zero loss of personal information.

To this end, Anton originally planned to place restrictions on who was admitted to the physical premises of the company. However, Kenneth – his uncle's vice president and longtime confidante – wants to hold off on Anton's idea in favor of converting any paper records held at the company to electronic storage. Kenneth believes this process would only take one or two years. Anton likes this idea; he envisions a password-protected system that only he and Kenneth can access.

Anton also plans to divest the company of most of its subsidiaries. Not only will this make his job easier, but it will simplify the management of the stored data. The heads of subsidiaries like the art gallery and kitchenware store down the street will be responsible for their own information management. Then, any unneeded subsidiary data still in Anton's possession can be destroyed within the next few years.

After learning of a recent security incident, Anton realizes that another crucial step will be notifying customers. Kenneth insists that two lost hard drives in question are not cause for concern; all of the data was encrypted and not sensitive in nature. Anton does not want to take any chances, however. He intends on sending notice letters to all employees and customers to be safe.

Anton must also check for compliance with all legislative, regulatory, and market requirements related to privacy protection. Kenneth oversaw the development of the company's online presence about ten years ago, but Anton is not confident about his understanding of recent online marketing laws. Anton is assigning another trusted employee with a law background the task of the compliance assessment. After a thorough analysis, Anton knows the company should be safe for another five years, at which time he can order another check. Documentation of this analysis will show auditors due diligence.

Anton has started down a long road toward improved management of the company, but he knows the effort is worth it. Anton wants his uncle's legacy to continue for many years to come.

To improve the facility's system of data security, Anton should consider following through with the plan for which of the following?

- A. Customer communication
- B. Employee access to electronic storage
- C. Employee advisement regarding legal matters
- D. Controlled access at the company headquarters

Correct Answer: D

Section: (none)

Explanation

Explanation/Reference:

QUESTION 21 SCENARIO Please use the following to answer the next question:

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Anton also plans to divest the company of most of its subsidiaries. Not only will this make his job easier, but it will simplify the management of the stored data. The heads of subsidiaries like the art gallery and kitchenware store down the street will be responsible for their own information management. Then, any unneeded subsidiary data still in Anton’s possession can be destroyed within the next few years.

After learning of a recent security incident, Anton realizes that another crucial step will be notifying customers. Kenneth insists that two lost hard drives in question are not cause for concern; all of the data was encrypted and not sensitive in nature. Anton does not want to take any chances, however. He intends on sending notice letters to all employees and customers to be safe.

Anton must also check for compliance with all legislative, regulatory, and market requirements related to privacy protection. Kenneth oversaw the development of the company’s online presence about ten years ago, but Anton is not confident about his understanding of recent online marketing laws. Anton is assigning another trusted employee with a law background the task of the compliance assessment. After a thorough analysis, Anton knows the company should be safe for another five years, at which time he can order another check. Documentation of this analysis will show auditors due diligence.

Anton has started down a long road toward improved management of the company, but he knows the effort is worth it. Anton wants his uncle’s legacy to continue for many years to come.

Which of Anton’s plans for improving the data management of the company is **most unachievable**?

- A. His initiative to achieve regulatory compliance
- B. His intention to transition to electronic storage
- C. His objective for zero loss of personal information
- D. His intention to send notice letters to customers and employees

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

QUESTION 22 SCENARIO Please use the following to answer the next question:



Henry Home Furnishings has built high-end furniture for nearly forty years. However, the new owner, Anton, has found some degree of disorganization after touring the company headquarters. His uncle Henry has always focused on production – not data processing – and Anton is concerned. In several storage rooms, he has found paper files, disks, and old computers that appear to contain the personal data of current and former employees and customers. Anton knows that a single break-in could irrevocably damage the company’s relationship with its loyal customers. He intends to set a goal of guaranteed zero loss of personal information.

To this end, Anton originally planned to place restrictions on who was admitted to the physical premises of the company. However, Kenneth – his uncle’s vice president and longtime confidante – wants to hold off on Anton’s idea in favor of converting any paper records held at the company to electronic storage. Kenneth believes this process would only take one or two years. Anton likes this idea; he envisions a password-protected system that only he and Kenneth can access.

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Anton has started down a long road toward improved management of the company, but he knows the effort is worth it. Anton wants his uncle’s legacy to continue for many years to come.

Which important principle of Data Lifecycle Management (DLM) will **most likely** be compromised if Anton executes his plan to limit data access to himself and Kenneth?

- A. Practicing data minimalism
- B. Ensuring data retrievability
- C. Implementing clear policies
- D. Ensuring adequacy of infrastructure

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

QUESTION 23 SCENARIO Please use the following to answer the next question:

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Anton has started down a long road toward improved management of the company, but he knows the effort is worth it. Anton wants his uncle's legacy to continue for many years to come.

In terms of compliance with regulatory and legislative changes, Anton has a misconception regarding?

- A. The timeline for monitoring
- B. The method of recordkeeping
- C. The use of internal employees
- D. The type of required qualifications



Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

QUESTION 24 SCENARIO Please use the following to answer the next question:

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Anton has started down a long road toward improved management of the company, but he knows the effort is worth it. Anton wants his uncle's legacy to continue for many years to come.

What would the company's legal team **most likely** recommend to Anton regarding his planned communication with customers?

- A. To send consistent communication
- B. To shift to electronic communication
- C. To delay communications until local authorities are informed
- D. To consider under what circumstances communication is necessary

Correct Answer: D

Section: (none)

Explanation

Explanation/Reference:

QUESTION 25

In regards to the collection of personal data conducted by an organization, what must the data subject be allowed to do?

- A. Evaluate the qualifications of a third-party processor before any data is transferred to that processor
- B. Obtain a guarantee of prompt notification in instances involving unauthorized access of the data
- C. Set a time-limit as to how long the personal data may be stored by the organization
- D. Challenge the authenticity of the personal data and have it corrected if needed

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

QUESTION 26 Which term describes a piece of personal data that alone may not identify an individual?

- A. Unbundled data
- B. A singularity
- C. Non-aggregated infopoint
- D. A single attribute

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

QUESTION 27 Which is **NOT** an influence on the privacy environment external to an organization?

- A. Management team priorities
- B. Regulations
- C. Consumer demand
- D. Technological advances

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

QUESTION 28

What is the **best** way to understand the location, use and importance of personal data within an organization?

- A. By analyzing the data inventory
- B. By testing the security of data systems
- C. By evaluating methods for collecting data
- D. By interviewing employees tasked with data entry

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

QUESTION 29 SCENARIO Please use the following

to answer the next question:

Your organization, the Chicago (U.S.)-based Society for Urban Greenspace, has used the same vendor to operate all aspects of an online store for several years. As a small nonprofit, the Society cannot afford the higher-priced options, but you have been relatively satisfied with this budget vendor, Shopping Cart Saver (SCS). Yes, there have been some issues. Twice, people who purchased items from the store have had their credit card information used fraudulently subsequent to transactions on your site, but in neither case did the investigation reveal with certainty that the Society's store had been hacked. The thefts could have been employee-related.

Just as disconcerting was an incident where the organization discovered that SCS had sold information it had collected from customers to third parties. However, as Jason Roland, your SCS account representative, points out, it took only a phone call from you to clarify expectations and the "misunderstanding" has not occurred again.

As an information-technology program manager with the Society, the role of the privacy professional is only one of many you play. In all matters, however, you must consider the financial bottom line. While these problems with privacy protection have been significant, the additional revenues of sales of items such as shirts and coffee cups from the store have been significant. The Society's operating budget is slim, and all sources of revenue are essential.

Now a new challenge has arisen. Jason called to say that starting in two weeks, the customer data from the store would now be stored on a data cloud. "The good news," he says, "is that we have found a low-cost provider in Finland, where the data would also be held. So, while there may be a small charge to pass through to you, it won't be exorbitant, especially considering the advantages of a cloud."

Lately, you have been hearing about cloud computing and you know it's fast becoming the new paradigm for various applications. However, you have heard mixed reviews about the potential impacts on privacy protection. You begin to research and discover that a number of the leading cloud service providers have signed a letter of intent to work together on shared conventions and technologies for privacy protection. You make a note to find out if Jason's Finnish provider is signing on.

After conducting research, you discover a primary data protection issue with cloud computing. Which of the following should be your **biggest** concern?

- A. An open programming model that results in easy access
- B. An unwillingness of cloud providers to provide security information
- C. A lack of vendors in the cloud computing market
- D. A reduced resilience of data structures that may lead to data loss.

Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

QUESTION 30 SCENARIO Please use the following

to answer the next question:

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What is the **best** way to prevent the Finnish vendor from transferring data to another party?

- A. Restrict the vendor to using company security controls
- B. Offer company resources to assist with the processing
- C. Include transfer prohibitions in the vendor contract
- D. Lock the data down in its current location

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:



QUESTION 31 SCENARIO Please use the following to answer the next question:

Your organization, the Chicago (U.S.)-based Society for Urban Greenspace, has used the same vendor to operate all aspects of an online store for several years. As a small nonprofit, the Society cannot afford the higher-priced options, but you have been relatively satisfied with this budget vendor, Shopping Cart Saver (SCS). Yes, there have been some issues. Twice, people who purchased items from the store have had their credit card information used fraudulently subsequent to transactions on your site, but in neither case did the investigation reveal with certainty that the Society's store had been hacked. The thefts could have been employee-related.

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What process can **best** answer your questions about the vendor's data security safeguards?

- A. A second-party of supplier audit
- B. A reference check with other clients
- C. A table top demonstration of a potential threat
- D. A public records search for earlier legal violations

Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

QUESTION 32 SCENARIO Please use the following to answer the next question:

Your organization, the Chicago (U.S.)-based Society for Urban Greenspace, has used the same vendor to operate all aspects of an online store for several years. As a small nonprofit, the Society cannot afford the higher-priced options, but you have been relatively satisfied with this budget vendor, Shopping Cart Saver (SCS). Yes, there have been some issues. Twice, people who purchased items from the store have had their credit card information used fraudulently subsequent to transactions on your site, but in neither case did the investigation reveal with certainty that the Society's store had been hacked. The thefts could have been employee-related.

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What is the **best** way for your vendor to be clear about the Society's breach notification expectations?

- A. Include notification provisions in the vendor contract
- B. Arrange regular telephone check-ins reviewing expectations
- C. Send a memorandum of understanding on breach notification
- D. Email the regulations that require breach notifications



Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

QUESTION 33 Which is **TRUE** about the scope and authority of data protection oversight authorities?

- A. The Office of the Privacy Commissioner (OPC) of Canada has the right to impose financial sanctions on violators
- B. All authority in the European Union rests with the Data Protection Commission (DPC)
- C. No one agency officially oversees the enforcement of privacy regulations in the United States
- D. The Asia-Pacific Economic Cooperation (APEC) Privacy Frameworks require all member nations to designate a national data protection authority

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

Reference: https://www.priv.gc.ca/en/opc-actions-and-decisions/ar_index/201617/ar_201617/

QUESTION 34

Which of the following indicates you have developed the right privacy framework for your organization?

- A. It includes a privacy assessment of each major system

- B. It improves the consistency of the privacy program
- C. It works at a different type of organization
- D. It identifies all key stakeholders by name

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

QUESTION 35 What is the function of the privacy operational life cycle?

- A. It establishes initial plans for privacy protection and implementation
- B. It allows the organization to respond to ever-changing privacy demands
- C. It ensures that outdated privacy policies are retired on a set schedule
- D. It allows privacy policies to mature to a fixed form

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

Reference: <https://www.bdo.com/blogs/nonprofit-standard/august-2018/guide-to-implementing-a-holistic-privacy-program>

QUESTION 36 Which is the **best** way to view an organization's privacy framework?

- A. As an industry benchmark that can apply to many organizations
- B. As a fixed structure that directs changes in the organization
- C. As an aspirational goal that improves the organization
- D. As a living structure that aligns to changes in the organization



Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

QUESTION 37

An organization is establishing a mission statement for its privacy program. Which of the following statements would be the **best** to use?

- A. This privacy program encourages cross-organizational collaboration which will stop all data breaches
- B. Our organization was founded in 2054 to reduce the chance of a future disaster like the one that occurred ten years ago. All individuals from our area of the country should be concerned about a future disaster. However, with our privacyprogram, they should not be concerned about the misuse of their information.
- C. The goal of the privacy program is to protect the privacy of all individuals who support our organization. To meet this goal, we must work to comply with all applicable privacy laws.
- D. In the next 20 years, our privacy program should be able to eliminate 80% of our current breaches. To do this, everyone in our organization must complete our annual privacy training course and all personally identifiable informationmust be inventoried.

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

QUESTION 38 SCENARIO Please use the following to answer the next question:

Edufox has hosted an annual convention of users of its famous e-learning software platform, and over time, it has become a grand event. It fills one of the large downtown conference hotels and overflows into the others, with several thousand attendees enjoying three days of presentations, panel discussions and networking. The convention is the centerpiece of the company's product rollout schedule and a great training opportunity for current users. The sales force also encourages prospective clients to attend to get a better sense of the ways in which the system can be customized to meet diverse needs and understand that when they buy into this system, they are joining a community that feels like family.

This year's conference is only three weeks away, and you have just heard news of a new initiative supporting it: a smartphone app for attendees. The app will support late registration, highlight the featured presentations and provide a mobile version of the conference program. It also links to a restaurant reservation system with the best cuisine in the areas featured. "It's going to be great," the developer, Deidre Hoffman, tells you, "if, that is, we actually get it working!" She laughs nervously but explains that because of the tight time frame she'd been given to build the app, she outsourced the job to a local firm. "It's just three young people," she says, "but they do great work." She describes some of the other apps they have built. When asked how they were selected for this job, Deidre shrugs. "They do good work, so I chose them."

Deidre is a terrific employee with a strong track record. That's why she's been charged to deliver this rushed project. You're sure she has the best interests of the company at heart, and you don't doubt that she's under pressure to meet a deadline that cannot be pushed back. However, you have concerns about the app's handling of personal data and its security safeguards. Over lunch in the break room, you start to talk to her about it, but she quickly tries to reassure you, "I'm sure with your help we can fix any security issues if we have to, but I doubt there'll be any. These people build apps for a living, and they know what they're doing. You worry too much, but that's why you're so good at your job!" Since

it is too late to restructure the contract with the vendor or prevent the app from being deployed, what is the **best** step for you to take next?

- A. Implement a more comprehensive suite of information security controls than the one used by the vendor
- B. Ask the vendor for verifiable information about their privacy protections so weaknesses can be identified
- C. Develop security protocols for the vendor and mandate that they be deployed
- D. Insist on an audit of the vendor's privacy procedures and safeguards

Correct Answer: B
Section: (none)
Explanation

Explanation/Reference:

QUESTION 39 SCENARIO Please use the following to answer the next question:

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is the **best** first step in understanding the data security practices of a potential vendor?

- A. Requiring the vendor to complete a questionnaire assessing International Organization for Standardization (ISO) 27001 compliance.
- B. Conducting a physical audit of the vendor's facilities.
- C. Conducting a penetration test of the vendor's data security structure.
- D. Examining investigation records of any breaches the vendor has experienced.

Correct Answer: D
Section: (none)
Explanation

Explanation/Reference:

QUESTION 40 SCENARIO Please use the following to answer the next question:

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safeguard can **most** efficiently ensure that privacy protection is a dimension of relationships with vendors?

- A. Include appropriate language about privacy protection in vendor contracts
- B. Perform a privacy audit on any vendor under consideration
- C. Require that a person trained in privacy protection be part of all vendor selection teams
- D. Do business only with vendors who are members of privacy trade associations

Correct Answer: C
Section: (none)
Explanation

Explanation/Reference:

QUESTION 41 SCENARIO Please use the following to answer the next question:

Edufox has hosted an annual convention of users of its famous e-learning software platform, and over time, it has become a grand event. It fills one of the large downtown conference hotels and overflows into the others, with several thousand attendees enjoying three days of presentations, panel discussions and networking. The convention is the centerpiece of the company's product rollout schedule and a great training opportunity for current users. The sales force also encourages prospective clients to attend to get a better sense of the ways in which the system can be customized to meet diverse needs and understand that when they buy into this system, they are joining a community that feels like family.

This year's conference is only three weeks away, and you have just heard news of a new initiative supporting it: a smartphone app for attendees. The app will support late registration, highlight the featured presentations and provide a mobile version of the conference program. It also links to a restaurant reservation system with the best cuisine in the areas featured. "It's going to be great," the developer, Deidre Hoffman, tells you, "if, that is, we actually get it working!" She laughs nervously but explains that because of the tight time frame she'd been given to build the app, she outsourced the job to a local firm. "It's just three young people," she says, "but they do great work." She describes some of the other apps they have built. When asked how they were selected for this job, Deidre shrugs. "They do good work, so I chose them."

Deidre is a terrific employee with a strong track record. That's why she's been charged to deliver this rushed project. You're sure she has the best interests of the company at heart, and you don't doubt that she's under pressure to meet a deadline that cannot be pushed back. However, you have concerns about the app's handling of personal data and its security safeguards. Over lunch in the break room, you start to talk to her about it, but she quickly tries to reassure you, "I'm sure with your help we can fix any security issues if we have to, but I doubt there'll be any. These people build apps for a living, and they know what they're doing. You worry too much, but that's why you're so good at your job!" You want to point out that normal protocols have not been followed in this matter. Which process in particular has been neglected?

- A. Forensic inquiry
- B. Data mapping
- C. Privacy breach prevention
- D. Vendor due diligence or vetting

Correct Answer: D
Section: (none)
Explanation

Explanation/Reference:

QUESTION 42 SCENARIO Please use the following to answer the next question:

Edufox has hosted an annual convention of users of its famous e-learning software platform, and over time, it has become a grand event. It fills one of the large downtown conference hotels and overflows into the others, with several thousand attendees enjoying three days of presentations, panel discussions and networking. The convention is the centerpiece of the company's product rollout schedule and a great training opportunity for current users. The sales force also encourages prospective clients to attend to get a better sense of the ways in which the system can be customized to meet diverse needs and understand that when they buy into this system, they are joining a community that feels like family.

This year's conference is only three weeks away, and you have just heard news of a new initiative supporting it: a smartphone app for attendees. The app will support late registration, highlight the featured presentations and provide a mobile version of the conference program. It also links to a restaurant reservation system with the best cuisine in the areas featured. "It's going to be great," the developer, Deidre Hoffman, tells you, "if, that is, we actually get it working!" She laughs nervously but explains that because of the tight time frame she'd been given to build the app, she outsourced the job to a local firm. "It's just three young people," she says, "but they do great work." She describes some of the other apps they have built. When asked how they were selected for this job, Deidre shrugs. "They do good work, so I chose them."

Deidre is a terrific employee with a strong track record. That's why she's been charged to deliver this rushed project. You're sure she has the best interests of the company at heart, and you don't doubt that she's under pressure to meet a deadline that cannot be pushed back. However, you have concerns about the app's handling of personal data and its security safeguards. Over lunch in the break room, you start to talk to her about it, but she quickly tries to reassure you, "I'm sure with your help we can fix any security issues if we have to, but I doubt there'll be any. These people build apps for a living, and they know what they're doing. You worry too much, but that's why you're so good at your job!" You see evidence that company employees routinely circumvent the privacy officer in developing new initiatives. How can you **best** draw attention to the scope of this problem?

- A. Insist upon one-on-one consultation with each person who works around the privacy officer.
- B. Develop a metric showing the number of initiatives launched without consultation and include it in reports, presentations, and consultation.
- C. Hold discussions with the department head of anyone who fails to consult with the privacy officer.
- D. Take your concerns straight to the Chief Executive Officer.

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

QUESTION 43

What is **one** reason the European Union has enacted more comprehensive privacy laws than the United States?

- A. To ensure adequate enforcement of existing laws
- B. To ensure there is adequate funding for enforcement
- C. To allow separate industries to set privacy standards
- D. To allow the free movement of data between member countries

Correct Answer: D

Section: (none)

Explanation

Explanation/Reference:

QUESTION 44 What is the **main** function of the Asia-Pacific Economic Cooperation Privacy Framework?

- A. Enabling regional data transfers
- B. Protecting data from parties outside the region
- C. Establishing legal requirements for privacy protection in the region
- D. Marketing privacy protection technologies developed in the region

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

Reference: <https://iapp.org/resources/article/apec-privacy-framework/>

QUESTION 45 SCENARIO Please use the following to answer the next question:

You lead the privacy office for a company that handles information from individuals living in several countries throughout Europe and the Americas. You begin that morning's privacy review when a contracts officer sends you a message asking for a phone call. The message lacks clarity and detail, but you presume that data was lost.

When you contact the contracts officer, he tells you that he received a letter in the mail from a vendor stating that the vendor improperly shared information about your customers. He called the vendor and confirmed that your company recently surveyed exactly 2000 individuals about their most recent healthcare experience and sent those surveys to the vendor to transcribe it into a database, but the vendor forgot to encrypt the database as promised in the contract. As a result, the vendor has lost control of the data.

The vendor is extremely apologetic and offers to take responsibility for sending out the notifications. They tell you they set aside 2000 stamped postcards because that should reduce the time it takes to get the notice in the mail. One side is limited to their logo, but the other side is blank and they will accept whatever you want to write. You put their offer on hold and begin to develop the text around the space constraints. You are content to let the vendor's logo be associated with the notification.

The notification explains that your company recently hired a vendor to store information about their most recent experience at St. Sebastian Hospital's Clinic for Infectious Diseases. The vendor did not encrypt the information and no longer has control of it. All 2000 affected individuals are invited to sign-up for email notifications about their information. They simply need to go to your company's website and watch a quick advertisement, then provide their name, email address, and month and year of birth.

You email the incident-response council for their buy-in before 9 a.m. If anything goes wrong in this situation, you want to diffuse the blame across your colleagues. Over the next eight hours, everyone emails their comments back and forth. The consultant who leads the incident-response team notes that it is his first day with the company, but he has been in other industries for 45 years and will do his best. One of the three lawyers on the council causes the conversation to veer off course, but it eventually gets back on track. At the end of the day, they vote to proceed with the notification you wrote and use the vendor's postcards.

Shortly after the vendor mails the postcards, you learn the data was on a server that was stolen, and make the decision to have your company offer credit monitoring services. A quick internet search finds a credit monitoring company with a convincing name: Credit Under Lock and Key (CRUDLOK). Your sales rep has never handled a contract for 2000 people, but develops a proposal in about a day which says CRUDLOK will:

1. Send an enrollment invitation to everyone the day after the contract is signed.
2. Enroll someone with just their first name and the last-4 of their national identifier.
3. Monitor each enrollee's credit for two years from the date of enrollment.
4. Send a monthly email with their credit rating and offers for credit-related services at market rates.
5. Charge your company 20% of the cost of any credit restoration.

You execute the contract and the enrollment invitations are emailed to the 2000 individuals. Three days later you sit down and document all that went well and all that could have gone better. You put it in a file to reference the next time an incident occurs.

Which of the following elements of the incident did you adequately determine?

- A. The nature of the data elements impacted
- B. The likelihood the incident may lead to harm
- C. The likelihood that the information is accessible and usable
- D. The number of individuals whose information was affected

Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

QUESTION 46 SCENARIO Please use the following to answer the next question:

You lead the privacy office for a company that handles information from individuals living in several countries throughout Europe and the Americas. You begin that morning's privacy review when a contracts officer sends you a message asking for a phone call. The message lacks clarity and detail, but you presume that data was lost.

When you contact the contracts officer, he tells you that he received a letter in the mail from a vendor stating that the vendor improperly shared information about your customers. He called the vendor and confirmed that your company recently surveyed exactly 2000 individuals about their most recent healthcare experience and sent those surveys to the vendor to transcribe it into a database, but the vendor forgot to encrypt the database as promised in the contract. As a result, the vendor has lost control of the data.

The vendor is extremely apologetic and offers to take responsibility for sending out the notifications. They tell you they set aside 2000 stamped postcards because that should reduce the time it takes to get the notice in the mail. One side is limited to their logo, but the other side is blank and they will accept whatever you want to write. You put their offer on hold and begin to develop the text around the space constraints. You are content to let the vendor's logo be associated with the notification.

The notification explains that your company recently hired a vendor to store information about their most recent experience at St. Sebastian Hospital's Clinic for Infectious Diseases. The vendor did not encrypt the information and no longer has control of it. All 2000 affected individuals are invited to sign-up for email notifications about their information. They simply need to go to your company's website and watch a quick advertisement, then provide their name, email address, and month and year of birth.

You email the incident-response council for their buy-in before 9 a.m. If anything goes wrong in this situation, you want to diffuse the blame across your colleagues. Over the next eight hours, everyone emails their comments back and forth. The consultant who leads the incident-response team notes that it is his first day with the company, but he has been in other industries for 45 years and will do his best. One of the three lawyers on the council causes the conversation to veer off course, but it eventually gets back on track. At the end of the day, they vote to proceed with the notification you wrote and use the vendor's postcards.

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4. Send a monthly email with their credit rating and offers for credit-related services at market rates.
5. Charge your company 20% of the cost of any credit restoration.

You execute the contract and the enrollment invitations are emailed to the 2000 individuals. Three days later you sit down and document all that went well and all that could have gone better. You put it in a file to reference the next time an incident occurs.

Regarding the notification, which of the following would be the **greatest** concern?

- A. Informing the affected individuals that data from other individuals may have also been affected.
- B. Collecting more personally identifiable information than necessary to provide updates to the affected individuals.
- C. Using a postcard with the logo of the vendor who make the mistake instead of your company's logo.
- D. Trusting a vendor to send out a notice when they already failed once by not encrypting the database.

Correct Answer: D

Section: (none)

Explanation

Explanation/Reference:

QUESTION 47 SCENARIO Please use the following to answer the next question:



You lead the privacy office for a company that handles information from individuals living in several countries throughout Europe and the Americas. You begin that morning's privacy review when a contracts officer sends you a message asking for a phone call. The message lacks clarity and detail, but you presume that data was lost.

When you contact the contracts officer, he tells you that he received a letter in the mail from a vendor stating that the vendor improperly shared information about your customers. He called the vendor and confirmed that your company recently surveyed exactly 2000 individuals about their most recent healthcare experience and sent those surveys to the vendor to transcribe it into a database, but the vendor forgot to encrypt the database as promised in the contract. As a result, the vendor has lost control of the data.

The vendor is extremely apologetic and offers to take responsibility for sending out the notifications. They tell you they set aside 2000 stamped postcards because that should reduce the time it takes to get the notice in the mail. One side is limited to their logo, but the other side is blank and they will accept whatever you want to write. You put their offer on hold and begin to develop the text around the space constraints. You are content to let the vendor's logo be associated with the notification.

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You email the incident-response council for their buy-in before 9 a.m. If anything goes wrong in this situation, you want to diffuse the blame across your colleagues. Over the next eight hours, everyone emails their comments back and forth. The consultant who leads the incident-response team notes that it is his first day with the company, but he has been in other industries for 45 years and will do his best. One of the three lawyers on the council causes the conversation to veer off course, but it eventually gets back on track. At the end of the day, they vote to proceed with the notification you wrote and use the vendor's postcards.

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5. Charge your company 20% of the cost of any credit restoration.

You execute the contract and the enrollment invitations are emailed to the 2000 individuals. Three days later you sit down and document all that went well and all that could have gone better. You put it in a file to reference the next time an incident occurs.

What is the **most** concerning limitation of the incident-response council?

- A. You convened it to diffuse blame
- B. The council has an overabundance of attorneys
- C. It takes eight hours of emails to come to a decision
- D. The leader just joined the company as a consultant

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

QUESTION 48 SCENARIO Please use the following to answer the next question:

You lead the privacy office for a company that handles information from individuals living in several countries throughout Europe and the Americas. You begin that morning's privacy review when a contracts officer sends you a message asking for a phone call. The message lacks clarity and detail, but you presume that data was lost.

When you contact the contracts officer, he tells you that he received a letter in the mail from a vendor stating that the vendor improperly shared information about your customers. He called the vendor and confirmed that your company recently surveyed exactly 2000 individuals about their most recent healthcare experience and sent those surveys to the vendor to transcribe it into a database, but the vendor forgot to encrypt the database as promised in the contract. As a result, the vendor has lost control of the data.

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5. Charge your company 20% of the cost of any credit restoration.

You execute the contract and the enrollment invitations are emailed to the 2000 individuals. Three days later you sit down and document all that went well and all that could have gone better. You put it in a file to reference the next time an incident occurs.

Regarding the credit monitoring, which of the following would be the **greatest** concern?

- A. The vendor's representative does not have enough experience
- B. Signing a contract with CRUDLOK which lasts longer than one year
- C. The company did not collect enough identifiers to monitor one's credit
- D. You are going to notify affected individuals via a letter followed by an email

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

QUESTION 49 SCENARIO Please use the following to answer the next question:

You lead the privacy office for a company that handles information from individuals living in several countries throughout Europe and the Americas. You begin that morning's privacy review when a contracts officer sends you a message asking for a phone call. The message lacks clarity and detail, but you presume that data was lost.

When you contact the contracts officer, he tells you that he received a letter in the mail from a vendor stating that the vendor improperly shared information about your customers. He called the vendor and confirmed that your company recently surveyed exactly 2000 individuals about their most recent healthcare experience and sent those surveys to the vendor to transcribe it into a database, but the vendor forgot to encrypt the database as promised in the contract. As a result, the vendor has lost control of the data.

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4. Send a monthly email with their credit rating and offers for credit-related services at market rates.
5. Charge your company 20% of the cost of any credit restoration.



You execute the contract and the enrollment invitations are emailed to the 2000 individuals. Three days later you sit down and document all that went well and all that could have gone better. You put it in a file to reference the next time an incident occurs.

Which of the following was done **CORRECTLY** during the above incident?

- A. The process by which affected individuals sign up for email notifications
- B. Your assessment of which credit monitoring company you should hire
- C. The speed at which you sat down to reflect and document the incident
- D. Finding a vendor who will offer the affected individuals additional services

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

QUESTION 50 In a sample metric template, what does "target" mean?

- A. The suggested volume of data to collect
- B. The percentage of completion
- C. The threshold for a satisfactory rating
- D. The frequency at which the data is sampled

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

QUESTION 51 What should a privacy professional keep in mind when selecting which metrics to collect?

- A. Metrics should be reported to the public
- B. The number of metrics should be limited at first
- C. Metrics should reveal strategies for increasing company earnings
- D. A variety of metrics should be collected before determining their specific functions

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

QUESTION 52 Under which circumstances would people who work in human resources be considered a secondary audience for privacy metrics?

- A. They do not receive training on privacy issues
- B. They do not interface with the financial office
- C. They do not have privacy policy as their main task
- D. They do not have frequent interactions with the public

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

QUESTION 53

What are you doing if you succumb to “overgeneralization” when analyzing data from metrics?

- A. Using data that is too broad to capture specific meanings
- B. Possessing too many types of data to perform a valid analysis
- C. Using limited data in an attempt to support broad conclusions
- D. Trying to use several measurements to gauge one aspect of a program

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

Reference: https://www.researchgate.net/publication/226716755_The_Impact_of_Overfitting_and_Overgeneralization_on_the_Classification_Accuracy_in_Data_Mining

QUESTION 54 All of the following changes will likely trigger a data inventory update EXCEPT?

- A. Outsourcing the Customer Relationship Management (CRM) function
- B. Acquisition of a new subsidiary
- C. Onboarding of a new vendor
- D. Passage of new a privacy regulation

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

QUESTION 55 What is **one** obligation that the General Data Protection Regulation (GDPR) imposes on data processors?

- A. To honor all data access requests from data subjects
- B. To inform data subjects about the identity and contact details of the controller
- C. To implement appropriate technical and organizational measures that ensure an appropriate level of security
- D. To carry out data protection impact assessments in cases where processing is likely to result in high risk to the rights and freedoms of individuals

Correct Answer: D

Section: (none)

Explanation

Explanation/Reference:

Reference: <https://www.whitecase.com/publications/article/chapter-12-impact-assessments-dpos-and-codes-conduct-unlocking-eu-general-data>

QUESTION 56

Which of the following **best** describes proper compliance for an international organization using Binding Corporate Rules (BCRs) as a controller or processor?

- A. Employees must sign an ad hoc contractual agreement each time personal data is exported.
- B. All employees are subject to the rules in their entirety, regardless of where the work is taking place.
- C. All employees must follow the privacy regulations of the jurisdictions where the current scope of their work is established.
- D. Employees who control personal data must complete a rigorous certification procedure, as they are exempt from legal enforcement.

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

Reference: <https://www.lexology.com/library/detail.aspx?g=80239951-01b8-409f-9019-953f5233852e>

QUESTION 57 SCENARIO Please use the following to answer the next question:

As they company's new chief executive officer, Thomas Goddard wants to be known as a leader in data protection. Goddard recently served as the chief financial officer of Hoopy.com, a pioneer in online video viewing with millions of users around the world. Unfortunately, Hoopy is infamous within privacy protection circles for its ethically questionable practices, including unauthorized sales of personal data to marketers. Hoopy also was the target of credit card data theft that made headlines around the world, as at least two million credit card numbers were thought to have been pilfered despite the company's claims that "appropriate" data protection safeguards were in place. The scandal affected the company's business as competitors were quick to market an increased level of protection while offering similar entertainment and media content. Within three weeks after the scandal broke, Hoopy founder and CEO Maxwell Martin, Goddard's mentor, was forced to step down.

Goddard, however, seems to have landed on his feet, securing the CEO position at your company, Medialite, which is just emerging from its start-up phase. He sold the company's board and investors on his vision of Medialite building its brand partly on the basis of industry-leading data protection standards and procedures. He may have been a key part of a lapsed or even rogue organization in matters of privacy but now he claims to be reformed and a true believer in privacy protection. In his first week on the job, he calls you into his office and explains that your primary work responsibility is to bring his vision for privacy to life. But you also detect some reservations. "We want Medialite to have absolutely the highest standards," he says. "In fact, I want us to be able to say that we are the clear industry leader in privacy and data protection. However, I also need to be a responsible steward of the company's finances. So, while I want the best solutions across the board, they also need to be cost effective."

You are told to report back in a week's time with your recommendations. Charged with this ambiguous mission, you depart the executive suite, already considering your next steps.

You are charged with making sure that privacy safeguards are in place for new products and initiatives. What is the **best** way to do this?

- A. Hold a meeting with stakeholders to create an interdepartmental protocol for new initiatives
- B. Institute Privacy by Design principles and practices across the organization
- C. Develop a plan for introducing privacy protections into the product development stage

D. Conduct a gap analysis after deployment of new products, then mend any gaps that are revealed

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

QUESTION 58 SCENARIO Please use the following to answer the next question:

As they company's new chief executive officer, Thomas Goddard wants to be known as a leader in data protection. Goddard recently served as the chief financial officer of Hoopy.com, a pioneer in online video viewing with millions of users around the world. Unfortunately, Hoopy is infamous within privacy protection circles for its ethically questionable practices, including unauthorized sales of personal data to marketers. Hoopy also was the target of credit card data theft that made headlines around the world, as at least two million credit card numbers were thought to have been pilfered despite the company's claims that "appropriate" data protection safeguards were in place. The scandal affected the company's business as competitors were quick to market an increased level of protection while offering similar entertainment and media content. Within three weeks after the scandal broke, Hoopy founder and CEO Maxwell Martin, Goddard's mentor, was forced to step down.

Goddard, however, seems to have landed on his feet, securing the CEO position at your company, Medialite, which is just emerging from its start-up phase. He sold the company's board and investors on his vision of Medialite building its brand partly on the basis of industry-leading data protection standards and procedures. He may have been a key part of a lapsed or even rogue organization in matters of privacy but now he claims to be reformed and a true believer in privacy protection. In his first week on the job, he calls you into his office and explains that your primary work responsibility is to bring his vision for privacy to life. But you also detect some reservations. "We want Medialite to have absolutely the highest standards," he says. "In fact, I want us to be able to say that we are the clear industry leader in privacy and data protection. However, I also need to be a responsible steward of the company's finances. So, while I want the best solutions across the board, they also need to be cost effective."

You are told to report back in a week's time with your recommendations. Charged with this ambiguous mission, you depart the executive suite, already considering your next steps.

The CEO likes what he's seen of the company's improved privacy program, but wants additional assurance that it is fully compliant with industry standards and reflects emerging best practices. What would **best** help accomplish this goal?

- A. An external audit conducted by a panel of industry experts
- B. An internal audit team accountable to upper management
- C. Creation of a self-certification framework based on company policies
- D. Revision of the strategic plan to provide a system of technical controls



Correct Answer: D

Section: (none)

Explanation

Explanation/Reference:

QUESTION 59 SCENARIO Please use the following to answer the next question:

As they company's new chief executive officer, Thomas Goddard wants to be known as a leader in data protection. Goddard recently served as the chief financial officer of Hoopy.com, a pioneer in online video viewing with millions of users around the world. Unfortunately, Hoopy is infamous within privacy protection circles for its ethically questionable practices, including unauthorized sales of personal data to marketers. Hoopy also was the target of credit card data theft that made headlines around the world, as at least two million credit card numbers were thought to have been pilfered despite the company's claims that "appropriate" data protection safeguards were in place. The scandal affected the company's business as competitors were quick to market an increased level of protection while offering similar entertainment and media content. Within three weeks after the scandal broke, Hoopy founder and CEO Maxwell Martin, Goddard's mentor, was forced to step down.

Goddard, however, seems to have landed on his feet, securing the CEO position at your company, Medialite, which is just emerging from its start-up phase. He sold the company's board and investors on his vision of Medialite building its brand partly on the basis of industry-leading data protection standards and procedures. He may have been a key part of a lapsed or even rogue organization in matters of privacy but now he claims to be reformed and a true believer in privacy protection. In his first week on the job, he calls you into his office and explains that your primary work responsibility is to bring his vision for privacy to life. But you also detect some reservations. "We want Medialite to have absolutely the highest standards," he says. "In fact, I want us to be able to say that we are the clear industry leader in privacy and data protection. However, I also need to be a responsible steward of the company's finances. So, while I want the best solutions across the board, they also need to be cost effective."

You are told to report back in a week's time with your recommendations. Charged with this ambiguous mission, you depart the executive suite, already considering your next steps.

The company has achieved a level of privacy protection that established new best practices for the industry. What is a logical next step to help ensure a high level of protection?

- A. Brainstorm methods for developing an enhanced privacy framework
- B. Develop a strong marketing strategy to communicate the company's privacy practices

C. Focus on improving the incident response plan in preparation for any breaks in protection
D. Shift attention to privacy for emerging technologies as the company begins to use them

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

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You are told to report back in a week's time with your recommendations. Charged with this ambiguous mission, you depart the executive suite, already considering your next steps.

What metric can Goddard use to assess whether costs associated with implementing new privacy protections are justified?

- A. Compliance ratio
- B. Cost-effective mean
- C. Return on investment
- D. Implementation measure



Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

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You are told to report back in a week's time with your recommendations. Charged with this ambiguous mission, you depart the executive suite, already considering your next steps.

You give a presentation to your CEO about privacy program maturity. What does it mean to have a "managed" privacy program, according to the AICPA/CICA Privacy Maturity Model?

- A. Procedures or processes exist, however they are not fully documented and do not cover all relevant aspects.

- B. Procedures and processes are fully documented and implemented, and cover all relevant aspects.
- C. Reviews are conducted to assess the effectiveness of the controls in place.
- D. Regular review and feedback are used to ensure continuous improvement toward optimization of the given process.

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

Reference: https://vvena.nl/wp-content/uploads/2018/04/aicpa_cica_privacy_maturity_model.pdf (page 2, 4th point under privacy maturity model)

QUESTION 62

Which of the following **best** demonstrates the effectiveness of a firm's privacy incident response process?

- A. The decrease of security breaches
- B. The decrease of notifiable breaches
- C. The increase of privacy incidents reported by users
- D. The decrease of mean time to resolve privacy incidents

Correct Answer: D

Section: (none)

Explanation

Explanation/Reference:

QUESTION 63 Which of the following is **TRUE** about a PIA (Privacy Impact Analysis)?

- A. Any project that involves the use of personal data requires a PIA
- B. A Data Protection Impact Analysis (DPIA) process includes a PIA
- C. The PIA must be conducted at the early stages of the project lifecycle
- D. The results from a previous information audit can be leveraged in a PIA process

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

Reference: <https://www.oaic.gov.au/s/elearning/pia/topic1.html>

QUESTION 64

An organization's privacy officer was just notified by the benefits manager that she accidentally sent out the retirement enrollment report of all employees to a wrong vendor. Which of the following actions should the privacy officer take **FIRST**?

- A. Perform a risk of harm analysis
- B. Report the incident to law enforcement
- C. Contact the recipient to delete the email
- D. Send firm-wide email notification to employees

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

QUESTION 65 SCENARIO Please use the following to answer the next question:

Martin Briseño is the director of human resources at the Canyon City location of the U.S. hotel chain Pacific Suites. In 1998, Briseño decided to change the hotel's on-the-job mentoring model to a standardized training program for employees who were progressing from line positions into supervisory positions. He developed a curriculum comprising a series of lessons, scenarios, and assessments, which was delivered in-person to small groups. Interest in the training increased, leading Briseño to work with corporate HR specialists and software engineers to offer the program in an online format. The online program saved the cost of a trainer and allowed participants to work through the material at their own pace.

Upon hearing about the success of Briseño's program, Pacific Suites corporate Vice President Maryanne Silva-Hayes expanded the training and offered it company-wide. Employees who completed the program received certification as a Pacific Suites Hospitality Supervisor. By 2001, the program had grown to provide industry-wide training. Personnel at hotels across the country could sign up and pay to take the course online. As the program became increasingly profitable, Pacific Suites developed an offshoot business, Pacific Hospitality Training (PHT). The sole focus of PHT was developing and marketing a variety of online courses and course progressions providing a number of professional certifications in the hospitality industry.

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In 2012, the Pacific Suites computer network was hacked. Malware installed on the online reservation system exposed the credit card information of hundreds of hotel guests. While targeting the financial data on the reservation site, hackers also discovered the archived training course data and registration accounts of Pacific Hospitality Training's customers. The result of the hack was the exfiltration of the credit card numbers of recent hotel guests and the exfiltration of the PHT database with all its contents.

A Pacific Suites systems analyst discovered the information security breach in a routine scan of activity reports. Pacific Suites quickly notified credit card companies and recent hotel guests of the breach, attempting to prevent serious harm. Technical security engineers faced a challenge in dealing with the PHT data.

PHT course administrators and the IT engineers did not have a system for tracking, cataloguing, and storing information. Pacific Suites has procedures in place for data access and storage, but those procedures were not implemented when PHT was formed. When the PHT database was acquired by Pacific Suites, it had no owner or oversight. By the time technical security engineers determined what private information was compromised, at least 8,000 credit card holders were potential victims of fraudulent activity.

In the Information Technology engineers had originally set the default for customer credit card information to "Do Not Save," this action would have been in line with what concept?

- A. Use limitation
- B. Privacy by Design
- C. Harm minimization
- D. Reactive risk management

Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

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What key mistake set the company up to be vulnerable to a security breach?

- A. Collecting too much information and keeping it for too long
- B. Overlooking the need to organize and categorize data
- C. Failing to outsource training and data management to professionals
- D. Neglecting to make a backup copy of archived electronic files

Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

QUESTION 67

SCENARIO Please use the following to answer the next question:



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How would a strong data life cycle management policy have helped prevent the breach?

- A. Information would have been ranked according to importance and stored in separate locations
- B. The most sensitive information would have been immediately erased and destroyed
- C. The most important information would have been regularly assessed and tested for security
- D. Information would have been categorized and assigned a deadline for destruction

Correct Answer: D

Section: (none)

Explanation

Explanation/Reference:

QUESTION 68 SCENARIO Please use the following to answer the next question:

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How was Pacific Suites responsible for protecting the sensitive information of its offshoot, PHT?

- A. As the parent company, it should have transferred personnel to oversee the secure handling of PHT's data.
- B. As the parent company, it should have performed an assessment of PHT's infrastructure and confirmed complete separation of the two networks.
- C. As the parent company, it should have ensured its existing data access and storage procedures were integrated into PHT's system.
- D. As the parent company, it should have replaced PHT's electronic files with hard-copy documents stored securely on site.

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

QUESTION 69 SCENARIO Please use the following to answer the next question:

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What must Pacific Suite's primary focus be as it manages this security breach?

- A. Minimizing the amount of harm to the affected individuals
- B. Investigating the cause and assigning responsibility
- C. Determining whether the affected individuals should be notified
- D. Maintaining operations and preventing publicity



Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

QUESTION 70

A Human Resources director at a company reported that a laptop containing employee payroll data was lost on the train. Which action should the company take **IMMEDIATELY**?

- A. Report the theft to law enforcement
- B. Wipe the hard drive remotely
- C. Report the theft to the senior management
- D. Perform a multi-factor risk analysis

Correct Answer: D

Section: (none)

Explanation

Explanation/Reference:

QUESTION 71

If an organization maintains a separate ethics office, to whom would its officer typically report to in order to retain the **greatest** degree of independence?

- A. The Board of Directors
- B. The Chief Financial Officer
- C. The Human Resources Director
- D. The organization's General Counsel

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

Reference: <https://hbr.org/1994/03/managing-for-organizational-integrity>

QUESTION 72

Read the following steps:

- Perform frequent data back-ups.
 - Perform test restorations to verify integrity of backed-up data. ▪
- Maintain backed-up data offline or on separate servers.

These steps can help an organization recover from what?

- A. Phishing attacks
- B. Authorization errors
- C. Ransomware attacks
- D. Stolen encryption keys

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:



QUESTION 73 SCENARIO Please use the following to answer the next question:

As the director of data protection for Consolidated Records Corporation, you are justifiably pleased with your accomplishments so far. Your hiring was precipitated by warnings from regulatory agencies following a series of relatively minor data breaches that could easily have been worse. However, you have not had a reportable incident for the three years that you have been with the company. In fact, you consider your program a model that others in the data storage industry may note in their own program development.

You started the program at Consolidated from a jumbled mix of policies and procedures and worked toward coherence across departments and throughout operations. You were aided along the way by the program's sponsor, the vice president of operations, as well as by a Privacy Team that started from a clear understanding of the need for change.

Initially, your work was greeted with little confidence or enthusiasm by the company's "old guard" among both the executive team and frontline personnel working with data and interfacing with clients. Through the use of metrics that showed the costs not only of the breaches that had occurred, but also projections of the costs that easily could occur given the current state of operations, you soon had the leaders and key decision-makers largely on your side. Many of the other employees were more resistant, but face-to-face meetings with each department and the development of a baseline privacy training program achieved sufficient "buy-in" to begin putting the proper procedures into place.

Now, privacy protection is an accepted component of all current operations involving personal or protected data and must be part of the end product of any process of technological development. While your approach is not systematic, it is fairly effective.

You are left contemplating: What must be done to maintain the program and develop it beyond just a data breach prevention program? How can you build on your success? What are the next action steps?

Which of the following would be **most** effectively used as a guide to a systems approach to implementing data protection?

- A. Data Life Cycle Management Standards
- B. United Nations Privacy Agency Standards
- C. International Organization for Standardization 9000 Series
- D. International Organization for Standardization 27000 Series

Correct Answer: D

Section: (none)

Explanation

Explanation/Reference:

Reference: <https://www.itgovernance.co.uk/blog/what-is-the-iso-27000-series-of-standards>

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Initially, your work was greeted with little confidence or enthusiasm by the company's "old guard" among both the executive team and frontline personnel working with data and interfacing with clients. Through the use of metrics that showed the costs not only of the breaches that had occurred, but also projections of the costs that easily could occur given the current state of operations, you soon had the leaders and key decision-makers largely on your side. Many of the other employees were more resistant, but face-to-face meetings with each department and the development of a baseline privacy training program achieved sufficient "buy-in" to begin putting the proper procedures into place.

Now, privacy protection is an accepted component of all current operations involving personal or protected data and must be part of the end product of any process of technological development. While your approach is not systematic, it is fairly effective.

You are left contemplating: What must be done to maintain the program and develop it beyond just a data breach prevention program? How can you build on your success? What are the next action steps?

How can Consolidated's privacy training program **best** be further developed?

- A. Through targeted curricula designed for specific departments
- B. By adopting e-learning to reduce the need for instructors
- C. By using industry standard off-the-shelf programs
- D. Through a review of recent data breaches



Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

QUESTION 75 SCENARIO Please use the following

to answer the next question:

As the director of data protection for Consolidated Records Corporation, you are justifiably pleased with your accomplishments so far. Your hiring was precipitated by warnings from regulatory agencies following a series of relatively minor data breaches that could easily have been worse. However, you have not had a reportable incident for the three years that you have been with the company. In fact, you consider your program a model that others in the data storage industry may note in their own program development.

You started the program at Consolidated from a jumbled mix of policies and procedures and worked toward coherence across departments and throughout operations. You were aided along the way by the program's sponsor, the vice president of operations, as well as by a Privacy Team that started from a clear understanding of the need for change.

Initially, your work was greeted with little confidence or enthusiasm by the company's "old guard" among both the executive team and frontline personnel working with data and interfacing with clients. Through the use of metrics that showed the costs not only of the breaches that had occurred, but also projections of the costs that easily could occur given the current state of operations, you soon had the leaders and key decision-makers largely on your side. Many of the other employees were more resistant, but face-to-face meetings with each department and the development of a baseline privacy training program achieved sufficient "buy-in" to begin putting the proper procedures into place.

Now, privacy protection is an accepted component of all current operations involving personal or protected data and must be part of the end product of any process of technological development. While your approach is not systematic, it is fairly effective.

You are left contemplating: What must be done to maintain the program and develop it beyond just a data breach prevention program? How can you build on your success? What are the next action steps?

What stage of the privacy operational life cycle **best** describes Consolidated's current privacy program?

- A. Assess
- B. Protect
- C. Respond
- D. Sustain

Correct Answer: D

Section: (none)

Explanation

Explanation/Reference:

QUESTION 76 SCENARIO Please use the following to answer the next question:

As the director of data protection for Consolidated Records Corporation, you are justifiably pleased with your accomplishments so far. Your hiring was precipitated by warnings from regulatory agencies following a series of relatively minor data breaches that could easily have been worse. However, you have not had a reportable incident for the three years that you have been with the company. In fact, you consider your program a model that others in the data storage industry may note in their own program development.

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Now, privacy protection is an accepted component of all current operations involving personal or protected data and must be part of the end product of any process of technological development. While your approach is not systematic, it is fairly effective.

You are left contemplating: What must be done to maintain the program and develop it beyond just a data breach prevention program? How can you build on your success? What are the next action steps?

What practice would afford the Director the most rigorous way to check on the program's compliance with laws, regulations and industry best practices?

- A. Auditing
- B. Monitoring
- C. Assessment
- D. Forensics

Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

QUESTION 77 SCENARIO Please use the following to answer the next question:

As the director of data protection for Consolidated Records Corporation, you are justifiably pleased with your accomplishments so far. Your hiring was precipitated by warnings from regulatory agencies following a series of relatively minor data breaches that could easily have been worse. However, you have not had a reportable incident for the three years that you have been with the company. In fact, you consider your program a model that others in the data storage industry may note in their own program development.

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Now, privacy protection is an accepted component of all current operations involving personal or protected data and must be part of the end product of any process of technological development. While your approach is not systematic, it is fairly effective.

You are left contemplating: What must be done to maintain the program and develop it beyond just a data breach prevention program? How can you build on your success? What are the next action steps?

What analytic can be used to track the financial viability of the program as it develops?

- A. Cost basis
- B. Gap analysis
- C. Return on investment
- D. Breach impact modeling

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

QUESTION 78

SCENARIO

Please use the following to answer the next question:

As the director of data protection for Consolidated Records Corporation, you are justifiably pleased with your accomplishments so far. Your hiring was precipitated by warnings from regulatory agencies following a series of relatively minor data breaches that could easily have been worse. However, you have not had a reportable incident for the three years that you have been with the company. In fact, you consider your program a model that others in the data storage industry may note in their own program development.

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You are left contemplating: What must be done to maintain the program and develop it beyond just a data breach prevention program? How can you build on your success? What are the next action steps?

What process could **most** effectively be used to add privacy protections to a new, comprehensive program being developed at Consolidated?

- A. Privacy by Design
- B. Privacy Step Assessment
- C. Information Security Planning
- D. Innovation Privacy Standards

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

QUESTION 79

The General Data Protection Regulation (GDPR) specifies fines that may be levied against data controllers for certain infringements. Which of the following will be subject to administrative fines of up to 10 000 000 EUR, or in the case of an undertaking, up to 2% of the total worldwide annual turnover of the preceding financial year?

- A. Failure to demonstrate that consent was given by the data subject to the processing of their personal data where it is used as the basis for processing
- B. Failure to implement technical and organizational measures to ensure data protection is enshrined by design and default

C. Failure to process personal information in a manner compatible with its original purpose D.
Failure to provide the means for a data subject to rectify inaccuracies in personal data

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

Reference: <https://gdpr-info.eu/art-8-gdpr/>

QUESTION 80 SCENARIO Please use the following
to answer the next question.

Manasa is a product manager at Omnipresent Omnimedia, where she is responsible for leading the development of the company's flagship product, the Handy Helper. The Handy Helper is an application that can be used in the home to manage family calendars, do online shopping, and schedule doctor appointments. After having had a successful launch in the United States, the Handy Helper is about to be made available for purchase worldwide.

The packaging and user guide for the Handy Helper indicate that it is a "privacy friendly" product suitable for the whole family, including children, but does not provide any further detail or privacy notice. In order to use the application, a family creates a single account, and the primary user has access to all information about the other users. Upon start up, the primary user must check a box consenting to receive marketing emails from Omnipresent Omnimedia and selected marketing partners in order to be able to use the application.

Sanjay, the head of privacy at Omnipresent Omnimedia, was working on an agreement with a European distributor of Handy Helper when he fielded many questions about the product from the distributor. Sanjay needed to look more closely at the product in order to be able to answer the questions as he was not involved in the product development process.

In speaking with the product team, he learned that the Handy Helper collected and stored all of a user's sensitive medical information for the medical appointment scheduler. In fact, all of the user's information is stored by Handy Helper for the additional purpose of creating additional products and to analyze usage of the product. This data is all stored in the cloud and is encrypted both during transmission and at rest.

Consistent with the CEO's philosophy that great new product ideas can come from anyone, all Omnipresent Omnimedia employees have access to user data under a program called "Eureka." Omnipresent Omnimedia is hoping that at some point in the future, the data will reveal insights that could be used to create a fully automated application that runs on artificial intelligence, but as of yet, Eureka is not well-defined and is considered a long-term goal.

What step in the system development process did Manasa skip?

- A. Obtain express written consent from users of the Handy Helper regarding marketing
- B. Work with Sanjay to review any necessary privacy requirements to be built into the product
- C. Certify that the Handy Helper meets the requirements of the EU-US Privacy Shield Framework
- D. Build the artificial intelligence feature so that users would not have to input sensitive information into the Handy Helper

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

QUESTION 81 SCENARIO Please use the following
to answer the next question.

Manasa is a product manager at Omnipresent Omnimedia, where she is responsible for leading the development of the company's flagship product, the Handy Helper. The Handy Helper is an application that can be used in the home to manage family calendars, do online shopping, and schedule doctor appointments. After having had a successful launch in the United States, the Handy Helper is about to be made available for purchase worldwide.

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What administrative safeguards should be implemented to protect the collected data while in use by Manasa and her product management team?

- A. Document the data flows for the collected data
- B. Conduct a privacy impact assessment (PIA) to evaluate the risks involved
- C. Implement a policy restricting data access on a “need to know” basis
- D. Limit data transfers to the US by keeping data collected in Europe within a local data center

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

QUESTION 82 SCENARIO Please use the following to answer the next question.

Manasa is a product manager at Omnipresent Omnimedia, where she is responsible for leading the development of the company’s flagship product, the Handy Helper. The Handy Helper is an application that can be used in the home to manage family calendars, do online shopping, and schedule doctor appointments. After having had a successful launch in the United States, the Handy Helper is about to be made available for purchase worldwide.

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Consistent with the CEO’s philosophy that great new product ideas can come from anyone, all Omnipresent Omnimedia employees have access to user data under a program called “Eureka.” Omnipresent Omnimedia is hoping that at some point in the future, the data will reveal insights that could be used to create a fully automated application that runs on artificial intelligence, but as of yet, Eureka is not well-defined and is considered a long-term goal.

What security controls are missing from the Eureka program?

- A. Storage of medical data in the cloud is not permissible under the General Data Protection Regulation (GDPR)
- B. Data access is not limited to those who “need to know” for their role
- C. Collection of data without a defined purpose might violate the fairness principle
- D. Encryption of the data at rest prevents European users from having the right of access and the right of portability of their data

Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

QUESTION 83 SCENARIO Please use the following to answer the next question.

Manasa is a product manager at Omnipresent Omnimedia, where she is responsible for leading the development of the company’s flagship product, the Handy Helper. The Handy Helper is an application that can be used in the home to manage family calendars, do online shopping, and schedule doctor appointments. After having had a successful launch in the United States, the Handy Helper is about to be made available for purchase worldwide.

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Consistent with the CEO's philosophy that great new product ideas can come from anyone, all Omnipresent Omnimedia employees have access to user data under a program called "Eureka." Omnipresent Omnimedia is hoping that at some point in the future, the data will reveal insights that could be used to create a fully automated application that runs on artificial intelligence, but as of yet, Eureka is not well-defined and is considered a long-term goal.

What can Sanjay do to minimize the risks of offering the product in Europe?

- A. Sanjay should advise the distributor that Omnipresent Omnimedia has certified to the Privacy Shield Framework and there should be no issues.
- B. Sanjay should work with Manasa to review and remediate the Handy Helper as a gating item before it is released.
- C. Sanjay should document the data life cycle of the data collected by the Handy Helper.
- D. Sanjay should write a privacy policy to include with the Handy Helper user guide.

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:

QUESTION 84 What is the **main** purpose in notifying data subjects of a data breach?

- A. To avoid financial penalties and legal liability
- B. To enable regulators to understand trends and developments that may shape the law
- C. To ensure organizations have accountability for the sufficiency of their security measures
- D. To allow individuals to take any actions required to protect themselves from possible consequences

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference:



QUESTION 85

Under the General Data Protection Regulation (GDPR), which situation would be **LEAST** likely to require a Data Protection Impact Assessment (DPIA)?

- A. A health clinic processing its patients' genetic and health data
- B. The use of a camera system to monitor driving behavior on highways
- C. A Human Resources department using a tool to monitor its employees' internet activity
- D. An online magazine using a mailing list to send a generic daily digest to marketing emails

Correct Answer: D

Section: (none)

Explanation

Explanation/Reference:

QUESTION 86

Under the General Data Protection Regulation (GDPR), when would a data subject have the right to require the erasure of his or her data without undue delay?

- A. When the data subject is a public authority
- B. When the erasure is in the public interest
- C. When the processing is carried out by automated means
- D. When the data is no longer necessary for its original purpose

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

Reference: <https://ico.org.uk/for-organisations/guide-to-data-protection/guide-to-the-general-data-protection-regulation-gdpr/individual-rights/right-to-erasure/>

QUESTION 87

Under the General Data Protection Regulation (GDPR), which of the following situations would **LEAST** likely require a controller to notify a data subject?

- A. An encrypted USB key with sensitive personal data is stolen
- B. A direct marketing email is sent with recipients visible in the 'cc' field
- C. Personal data of a group of individuals is erroneously sent to the wrong mailing list
- D. A hacker publishes usernames, phone numbers and purchase history online after a cyber-attack

Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

QUESTION 88 SCENARIO Please use the following

to answer the next question:

Penny has recently joined Ace Space, a company that sells homeware accessories online, as its new privacy officer. The company is based in California but thanks to some great publicity from a social media influencer last year, the company has received an influx of sales from the EU and has set up a regional office in Ireland to support this expansion. To become familiar with Ace Space's practices and assess what her privacy priorities will be, Penny has set up meetings with a number of colleagues to hear about the work that they have been doing and their compliance efforts.

Penny's colleague in Marketing is excited by the new sales and the company's plans, but is also concerned that Penny may curtail some of the growth opportunities he has planned. He tells her *"I heard someone in the breakroom talking about some new privacy laws but I really don't think it affects us. We're just a small company. I mean we just sell accessories online, so what's the real risk?"* He has also told her that he works with a number of small companies that help him get projects completed in a hurry. *"We've got to meet our deadlines otherwise we lose money. I just sign the contracts and get Jim in finance to push through the payment. Reviewing the contracts takes time that we just don't have."*

In her meeting with a member of the IT team, Penny has learned that although Ace Space has taken a number of precautions to protect its website from malicious activity, it has not taken the same level of care of its physical files or internal infrastructure. Penny's colleague in IT has told her that a former employee lost an encrypted USB key with financial data on it when he left. The company nearly lost access to their customer database last year after they fell victim to a phishing attack. Penny is told by her IT colleague that the IT team *"didn't know what to do or who should do what. We hadn't been trained on it but we're a small team though, so it worked out OK in the end."* Penny is concerned that these issues will compromise Ace Space's privacy and data protection.

Penny is aware that the company has solid plans to grow its international sales and will be working closely with the CEO to give the organization a data "shake up". Her mission is to cultivate a strong privacy culture within the company.

Penny has a meeting with Ace Space's CEO today and has been asked to give her first impressions and an overview of her next steps.

To establish the current baseline of Ace Space's privacy maturity, Penny should consider all of the following factors **EXCEPT**?

- A. Ace Space's documented procedures
- B. Ace Space's employee training program
- C. Ace Space's vendor engagement protocols
- D. Ace Space's content sharing practices on social media

Correct Answer: A

Section: (none)

Explanation

Explanation/Reference:

QUESTION 89 SCENARIO Please use the following

to answer the next question:

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Penny is aware that the company has solid plans to grow its international sales and will be working closely with the CEO to give the organization a data "shake up". Her mission is to cultivate a strong privacy culture within the company.

Penny has a meeting with Ace Space's CEO today and has been asked to give her first impressions and an overview of her next steps.

What is the **best** way for Penny to understand the location, classification and processing purpose of the personal data Ace Space has?

- A. Analyze the data inventory to map data flows
- B. Audit all vendors' privacy practices and safeguards
- C. Conduct a Privacy Impact Assessment for the company
- D. Review all cloud contracts to identify the location of data servers used

Correct Answer: B

Section: (none)

Explanation

Explanation/Reference:

QUESTION 90 SCENARIO Please use the following to answer the next question:

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Penny has a meeting with Ace Space's CEO today and has been asked to give her first impressions and an overview of her next steps.

What information will be **LEAST** crucial from a privacy perspective in Penny's review of vendor contracts?

- A. Audit rights
- B. Liability for a data breach
- C. Pricing for data security protections
- D. The data a vendor will have access to

Correct Answer: C

Section: (none)

Explanation

Explanation/Reference: