

# IT-related Legal Compliance Review

## KPMG Technology Assurance

Are you confident that the complex IT environment your organisation relies on in its daily operations is safe, efficient and conforms to legal regulations?

Just consider how many IT services and systems are involved in the process which begins as you turn on your computer and ends as your clients receive the services they have requested. Such IT services are comprised of the complex operations and contributions of systems, IT specialists, users and processes. Within the framework of our IT-related legal compliance services (preparation and audit) we review the IT control environment and help your enterprise to ensure legal compliance.

### Potential advantages for your business

- Your company complies with legal regulations.
- You become aware of threats and deficiencies that affect your organisation's IT services and information and you are able to handle them properly.
- Your company is well prepared for supervisory authorities' IT-related reviews.
- You are able to provide high quality services in a timely manner which increases the satisfaction of your clients.

### Hungarian regulatory environment

The design and operation of an IT control environment are subject to increasingly strict regulation with respect to the telecommunication, financial (bank, insurance, management companies) and public sectors. Furthermore, for some industries the legislator also discusses the

criteria of functional compliance of the in-scope systems. The following is a non-exhaustive list of regulations and recommendations relevant to IT compliance:

#### Not sector-specific regulations:

- Act CXII of 2011 on the Right of Informational Self-Determination and on Freedom of Information
- Act CLV of 2009 on the Protection of Qualified Data
- Act XXXV of 2001 on Electronic Signature.

#### Public sector:

- Act 2013 L on Electronic Information Security of Governmental and Local Governmental Bodies
- Decree No. 41 of 2015 (15 July) of the Minister of the Interior on Requirements of Technology Security Tools, Safe Information Tools, Products and of Ranking into Safety Categories and Safety Levels as Specified in the Act 2013 L on Electronic Information Security of Governmental and Local Governmental Bodies
- Decree No. 42 of 2015 (15 July) of the Minister of the Interior on the Order of Official Registration of Bodies Which are Subject to the Act on Freedom of Electronic Information Security
- Governmental Decree No. 187 of 2015 (13 July) on Responsibilities of Security Supervisory Authorities of Electronic Information Systems and

of the Information Security Supervisor and on the Definition of Electronic Information Systems Dedicated to Specific Purposes.

#### **Telecommunication:**

- Act C of 2003 on Electronic Communications.

#### **Financial institutes:**

- Governmental Decree No. 42 of 2015 (12 March) on IT Security of Financial Institutes, Insurance and Reinsurance Companies, Investment Firms and Commodity Dealers
- Recommendation No. 1 of 2015 of the Governor of Magyar Nemzeti Bank (Hungarian Central Bank) on IT System Security
- Recommendation No. 15 of 2015 of the Governor of Magyar Nemzeti Bank (Hungarian Central Bank) on the Security of Online Financial Services
- Decree 36 of 2015 (24 September) of the Governor of Magyar Nemzeti Bank (Hungarian Central Bank) on the Methodology of the Creation of Log-In IDs and Passwords for Security and Client Accounts, on Related Data Provision and on Obligatory Elements of the Regulation Stating Data Security Requirements
- Decree 34 of 2013 (16 December) of the Governor of Magyar Nemzeti Bank (Hungarian Central Bank) on the Order and Technical Conditions of Exclusive Electronic Communication between Magyar Nemzeti Bank and Organisations and on the Operations and Usage of a Delivery Storage Space Operated by Magyar Nemzeti Bank
- Act CCXXXVII of 2013 on Credit Institutes and Financial Enterprises

#### **Specific regulations affecting insurance companies:**

- Act LXXXVIII of 2014 on the Insurance Business

#### **Specific regulations affecting management companies and deposit handlers:**

- Act CXXXVIII of 2007 on Investment Firms and Commodity Dealers, and on the Regulations Governing their Activities.

### **How can we help?**

As detailed below, KPMG's IT-related Legal Compliance Review services provide your organisation with an objective perspective upon the regulation environment in question and facilitate compliance with those regulations.

#### **Preparation for legal compliance audits:**

The first step of KPMG's approach is an assessment which identifies differences between your company's services and the requirements formulated in the relevant regulations. Thus we can see which measures are needed in order to achieve legal compliance. As a second step KPMG gives you practical advice on how to close the gaps and thus achieve legal compliance.

#### **Legal compliance audit:**

Within the framework of this review we assess your organisation's IT control environment and processes from a legal compliance perspective and test the operating effectiveness of controls. Following the review we issue a report which describes possible non-compliance, related business and IT risks and our suggestions for remediation.

#### **Legal compliance audit including auditor certificate:**

We evaluate via audit methods the level to which your organisation's IT control environment conforms to the legal regulations in question. As a result of the review we prepare a report and, if determined compliant, we issue an auditor certificate which verifies legal compliance and can be submitted to third parties.

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**If you feel these issues are relevant to your business, please contact us for further details:**

[KPMG.hu](https://www.kpmg.hu)



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