

SEC Regulation S-P (17 CFR 248)

SEC Regulation S-P requires U.S. financial firms to protect consumers' nonpublic financial information and provide privacy disclosures.



What it is

SEC Regulation S-P is a U.S. financial privacy regulation that helps organizations protect the confidentiality and security of consumer financial information. Its primary purpose is to ensure that financial institutions establish appropriate policies for safeguarding sensitive customer data and provide clear disclosures about their information-sharing practices.

Published by the Securities and Exchange Commission (SEC), Regulation S-P applies to broker-dealers, investment advisers, and investment companies operating in U.S. financial markets. The regulation covers areas such as privacy notices, requirements for safeguarding customer records, and rules regarding the use and disclosure of nonpublic personal information.

At a glance

PUBLISHER U.S. Securities and Exchange Commission (SEC)	TYPE Regulation	VERSION Regulation S-P (as amended)
EFFECTIVE July 1, 2001	DOMAIN Privacy	FAMILY Global Privacy Regulations
REGION United States	INDUSTRY Financial Services	ADOPTION MODEL Regulatory Compliance
IMPLEMENTATION COMPLEXITY Moderate		

Source: <https://www.ecfr.gov/current/title-17/chapter-II/part-248>

Why it matters

- **Strengthen data protection practices** Enhance the confidentiality and security of customer financial information by requiring robust controls and clear privacy policies.
- **Enable regulatory compliance** Support organizations in meeting U.S. legal obligations for the handling, use, and disclosure of nonpublic personal data.
- **Increase audit readiness** Facilitate the creation of written policies and documentation that support efficient audit processes and regulatory review.
- **Promote customer trust** Reassure clients through transparent privacy notices and demonstrated commitment to responsible information handling practices.

How SmartSuite supports Reg S-P

Privacy Notices and Policy Governance

Manage privacy notice content, reviews, and evidence that practices align.

Safeguards and Access Governance

Track access controls, monitoring, and safeguard evidence for customer information.

Vendor and Service Provider Oversight

Manage vendor contracts, safeguards, and ongoing review evidence.

Incident Response and Documentation

Capture event timelines, decisions, and corrective actions tied to customer data.

Testing and Assurance Cadence

Schedule control testing and maintain proof of ongoing effectiveness.

Audit and Examination Reporting

Report compliance posture, open issues, and evidence coverage for exams.

Common framework mappings

CCPA/CPRA

GDPR

GLBA Safeguards Rule (16 CFR Part 314)

ISO 27001:2022

ISO 27701

NIST Privacy Framework v1.0

NIST 800-53 Rev.5

SOC 2

Official resources

SEC Regulation S-P

Defines consumer financial information privacy requirements for U.S. financial institutions.

ecfr.gov/current/title-17/chapter-II/part-248

SEC Regulation S-P Guidance

Outlines implementation of consumer financial information safeguarding policies.

sec.gov/rules/final/34-42974.htm

SEC Regulation S-P Compliance Resources

Provides regulatory interpretations and compliance guidelines for financial entities.

sec.gov/divisions/investment/guidance/regspcompliance.htm

Frequently asked questions

What is SEC Regulation S-P used for?

SEC Regulation S-P is designed to protect the privacy and security of consumer financial information held by financial institutions. It requires covered organizations to implement systems and policies that safeguard sensitive customer data and to provide clear disclosures about their information-sharing practices.

Is SEC Regulation S-P mandatory for all financial organizations?

SEC Regulation S-P is mandatory for U.S. broker-dealers, investment advisers, and investment companies regulated by the Securities and Exchange Commission (SEC). Organizations outside these categories are not subject to Regulation S-P unless specified by other regulatory requirements.

Who does SEC Regulation S-P apply to?

The regulation applies to financial institutions operating in U.S. markets, specifically broker-dealers, investment advisers, and investment companies registered with the SEC. Service providers handling consumer information on behalf of these institutions may also fall under certain compliance obligations.

What are the key requirements of SEC Regulation S-P?

Key requirements include providing initial and annual privacy notices, establishing and maintaining written policies for safeguarding customer data, implementing technical and administrative safeguards, overseeing service providers, and specifying protocols for the disposal of consumer information.

How do organizations implement SEC Regulation S-P?

Organizations implement Regulation S-P by documenting privacy policies, mapping requirements to security controls, training staff on compliance procedures, and conducting regular risk assessments. They must also monitor vendors and ensure all data handling activities are conducted in line with regulatory standards.

How does SEC Regulation S-P relate to other privacy and security frameworks?

Regulation S-P often aligns with broader data protection and cybersecurity frameworks such as GLBA Safeguards Rule, NIST Cybersecurity Framework, and industry privacy standards. This alignment helps organizations manage their overall risk posture and meet multiple compliance obligations efficiently.

What are the ongoing compliance requirements for SEC Regulation S-P?

Ongoing compliance requires maintaining up-to-date privacy notices, continuously monitoring and testing security controls, conducting periodic risk assessments, training employees, and promptly remediating identified gaps. Audits and incident response exercises are also recommended to ensure regulatory obligations are met.

How would SmartSuite support SEC Regulation S-P?

SmartSuite supports SEC Regulation S-P compliance by providing centralized risk registers, control management, and automated evidence collection. It enables organizations to track remediation tasks, manage vendor inventories, maintain policy governance, and prepare for audits with ready-to-use reporting dashboards for continuous monitoring and executive oversight.

License included / downloadable: Yes SEC Regulation S-P is a U.S. federal regulation and is publicly available through official SEC regulatory publications.

Full framework page and mappings: smartsuite.com/frameworks/sec-regulation-s-p-privacy-of-consumer-financial-information