



Data Transfer Impact Assessment Statement

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Overview

This document provides information to help FinancialForce customers conduct data transfer impact assessments in connection with their use of FinancialForce Services, in light of the “Schrems II” ruling of the Court of Justice for the European Union and the recommendations from the European Data Protection Board.

In particular, this document describes the legal regimes applicable to FinancialForce in the US and India, the safeguards FinancialForce puts in place in connection with transfers of customer personal data from the European Economic Area, United Kingdom or Switzerland ("Europe"), and FinancialForce's ability to comply with its obligations as "data importer" under the Standard Contractual Clauses ("SCCs").

For more details about FinancialForce's GDPR compliance program please visit [FinancialForce's Privacy site](#).

The Transfer

Where FinancialForce processes personal data governed by European data protection laws as a data processor (on behalf of our customers), FinancialForce complies with its obligations under its Data Processing Addendum available at [Data Processing Addendum](#) ("DPA"). The FinancialForce DPA incorporates the SCCs and provides a description of FinancialForce's processing of customer personal data (Annex 1); and description of FinancialForce's security measures (Annex 2)

Please refer to Schedule 1 to the DPA and Annex 1 to the SCCs for information on the nature of FinancialForce's processing activities in connection with the provision of the Services, the types of customer personal data we process and transfer, and the categories of data subjects.

A list of all of our data subprocessors is available at [subprocessors](#).

The transfer mechanism

Where personal data originating from Europe is transferred to FinancialForce, FinancialForce relies upon the European Commission's SCCs to provide an appropriate safeguard for the transfer. To review FinancialForce's Data Processing Addendum (which incorporates the SCCs) please visit [Data Processing Addendum](#).

Where customer personal data originating from Europe is transferred between FinancialForce group companies or transferred by FinancialForce to third-party subprocessors, FinancialForce enters into SCCs with those parties.

Transfer mechanism effectiveness

U.S. Surveillance Laws

Information about these US surveillance laws can be found in the [U.S. Privacy Safeguards Relevant to SCCs and Other EU Legal Bases for EU-U.S.Data Transfers after Schrems II](#) whitepaper from September 2020. This

whitepaper details the limits and safeguards pertaining to US public authority access to data and was issued in response to the Schrems II ruling.

FISA 702 or EO 12333

FinancialForce, like most US-based SaaS companies, could technically be subject to FISA 702 where it is deemed to be a RCSP. However, FinancialForce does not process personal data that is likely to be of interest to US intelligence agencies.

Furthermore, FinancialForce is not likely to be subject to upstream surveillance orders under FISA 702, the type of order principally addressed in, and deemed problematic by, the Schrems II decision. FinancialForce does not provide internet backbone services, but instead only carries traffic involving its own customers. To date, the U.S. Government has interpreted and applied FISA 702 upstream orders to only target market providers that have traffic flowing through their internet backbone and that carry traffic for third parties (i.e., telecommunications carriers).

EO 12333 contains no authorization to compel private companies (such as FinancialForce) to disclose personal data to US authorities and FISA 702 requires an independent court to authorize a specific type of foreign intelligence data acquisition which is generally unrelated to commercial information. In the event that US intelligence agencies were interested in the type of data that FinancialForce processes, safeguards such as the requirement for authorization by an independent court and the necessity and proportionality requirements would protect data from excessive surveillance.

Indian Surveillance laws

The basic law underpinning electronic surveillance is section 5(2) of the Telegraph Act, 1885, this allows for the interception and disclosure of messages in the event of a public emergency or in the interest of public safety. In addition to matters like state security and public order, the Government can also order this for preventing incitement to the commission of an offence.

Rule 419A which was added to the Telegraph Rules, 1951 states that an interception order can be issued only when there is no other reasonable means of acquiring such information.

Section 69 of the Information technology Act, 2000 (IT Act) tracks Section 5(2) of the Telegraph Act and allows the Government to intercept, monitor, or decrypt any information received or stored through any computer resource provided that a degree of specificity is disclosed to allow access and its orders can only be issued similarly to Rule 419A.

In the event that Indian intelligence agencies were interested in the type of data that FinancialForce processes, safeguards such as the requirement for authorization by an independent court and the necessity and proportionality requirements would protect data from excessive surveillance.

Government access requests

To date, FinancialForce has not received a US National Security Request in connection with customer personal data or a request from the Indian Government.

Therefore, while FinancialForce may technically be subject to surveillance laws identified in Schrems II we have not been subject to these types of requests in our day-to-day business operations.

Supplementary measures

FinancialForce provides the following technical measures to secure customer data:

- All data is encrypted in transit using, at a minimum, 128-bit TLS Certificates and 2048-bit RSA public keys
- Additional information about FinancialForce's security practices and certifications are available in Annex II of the [Data Processing Addendum](#), and on our [Trust and Compliance site](#) and our [Security site](#).

FinancialForce's contractual measures are set out in our [Data Processing Addendum](#) which incorporates the SCCs. In particular, we are subject to the following requirements:

- FinancialForce is contractually obligated to have in place appropriate technical and organizational measures to safeguard personal data (both under the Data Processing Addendum as well as the SCCs we enter into with customers, service providers, and between entities with the FinancialForce group).
- FinancialForce is obligated under the SCCs to notify its customers in the event it is made subject to a request for government access to customer personal data from a government authority. In the event that FinancialForce is legally prohibited from making such a disclosure, FinancialForce is contractually obligated to challenge such prohibition and seek a waiver.
- Under the SCCs, FinancialForce is obligated to review the legality of government authority access requests and challenge such requests where they are considered to be unlawful.

FinancialForce's organizational measures to secure customer data include:

- FinancialForce remains accountable to you for how your data is used when transferred to third parties. We review the data FinancialForce plans to share with a service provider and the associated level of risk, the supplier's security policies, measures, and third party audits, and whether the supplier has a mature privacy program that respects the rights of data subjects. We provide a list of our sub-processors [here](#) and you can sign up for updates to our subprocessors [here](#).
- FinancialForce provides data protection training to all FinancialForce staff, including phishing simulation to prepare against phishing attacks.

In light of the information provided in this document, including FinancialForce's practical experience and the technical, contractual, and organizational measures FinancialForce has implemented to protect customer personal data, FinancialForce considers that the risks involved in transferring and processing European personal data in/to the US and/or India do not impinge on our ability to comply with our obligations under the SCCs (as "data importer") or to ensure that individuals' rights remain protected. Therefore, no additional supplementary measures are necessary at this time.

Review of this statement

FinancialForce will review and, if necessary, reconsider the risks involved and the measures it has implemented to address changing data privacy regulations and risk environments associated with transfers of personal data outside of Europe.

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