

# The payment card industry data security standard (PCI DSS) secure messaging white paper



## Introduction

As speed of business pushes ever forward, businesses around the world increasingly rely on near instantaneous credit transactions to make sales. In 2011, 135.33 billion transactions were made worldwide involving a credit, debit or prepaid card, up 12 percent over 2010 according to the Nilson Report. With the colossal amount of cardholder data whizzing between merchants, payment processors and banks, it's no wonder that cardholder data is often exchanged unsecured across high-volume end user systems, like email.

To prevent cardholders' information from falling into the wrong hands, the Payment Card Industry Data Security Standard (PCI DSS) was established to hold organizations to a common standard for securing cardholder information against unauthorized exposure and exploitation.

First introduced in 2004 by the Card Industry Security Standards Council, The Payment Card Industry Data Security Standard (PCI DSS) is a stringent set of security standards that businesses must meet to transact using card information. Unlike compliance regulations administered by government organizations, PCI DSS defines specific security framework and technologies that businesses must implement to secure cardholder data wherever it resides, including email.

This white paper briefly details how PCI-DSS protocols apply to your organization, email security, and outlines what technologies your organization can implement to help ensure secure, PCI-DSS-compliant email and file transfer.



## Who is affected by PCI-DSS?

PCI DSS applies to all merchants, retailers and other businesses and organizations who transact using major credit, debit and prepaid cards. Additionally, PCI DSS applies to third parties, such as payment card processors, who store and access cardholder information to process transactions on behalf of organizations that accept card payments.



## Why should my organization comply with PCI-DSS?

While businesses bear the burden of meeting multilayered PCI DSS protocols, the cost of compliance is far less than the alternative. Failure to comply with PCI DSS protocols has far reaching consequences that damage your business's bottom line and can cripple your ability to conduct future businesses. Consequences for noncompliance include:

- **Fines:** Banks and credit card institutions may, at their discretion, fine offending merchants up to \$500,000 per security incident, and up to \$50,000 per day for every day a business is operating in violation of security standards.
- **Suspension of Merchant Accounts:** Card providers such as Visa and MasterCard can refuse to do business merchants and organizations who don't meet compliance requirements, reducing your ability to transact down to a cash-only basis.
- **Public Notification:** Currently 38 states have laws requiring that data breaches exposing customer information (including cardholder data) be reported to customers affected.
- **Litigation:** Organizations that fail to secure cardholder information may face civil suits, damages and other costly legal proceedings as a result of cardholder data being exposed without authorization.
- **Loss of Reputation, Customers and Business:** It takes years to build a credible reputation but only a few minutes to ruin one, and a loss of credibility translates directly to an organization's bottom line. When consumers lose confidence, they switch to other services or brands, resulting in profit loss. A recent study by the Ponemon Institute showed that 31 percent of respondents terminated their relationship with an organization after receiving notification of a breach of data security.



## Compliance?

Unlike the broad framework requirements of government regulations, PCI DSS is broken down into 12 major requirements that additionally specify policies and technologies business must implement to secure cardholder data. While not all requirements are relevant to email security, the following requirements directly impact organizations messaging security. In short, they charge organizations to:

- Protect stored cardholder data at rest and in transit.
- Encrypt transmission of cardholder data across open, public networks including email systems.
- Use and regularly update anti-virus software on all systems commonly affected by malware.
- Restrict access to cardholder data to a need-to-know basis.
- Assign a unique ID to each person with computer access.
- Track and monitor all access to network resources and cardholder data.
- Regularly test security systems and processes.
- Maintain a policy that addresses information security.

PCI details further requirements and standards, dependent upon organization type and the volume of annual credit transactions, that determine the specific policies and technologies your organization should implement. While a complete list of technical and policy requirements can be viewed at the website of the [Security Standards Council](#) the next section identifies core technologies necessary for all organizations to comply with PCI requirements affecting messaging security.

# How Can My Organization Meet These Requirements?

GLBA does not explicitly identify specific policies and email technologies organizations should implement as safeguards to achieve compliance; every institution is unique and uses NPI in different forms, for different reasons. Yet, several technologies and policy-best practices stand out as clear solutions to meet GLBA requirements in relation to email:

- **End-to-end encryption:** To meet regulation requirements that mandate NPI be secured, an end-to-end encryption that can encrypt or block content is often necessary to ensure that data remains confidential and secure between the message sender and the intended recipient, preventing unauthorized access or loss.
- **Data Leak Prevention (DLP):** A DLP solution for email is essential for GLBA compliance, providing enhanced mail security through content filtering, authentication, and permissions rules that limit access and transmission of sensitive information sent within and outside the organization.
- **Archiving:** An effective email archiving system will enable organizations to meet control objectives for message retention and auditing by capturing, preserving and making all email traffic easily searchable for compliance auditors to evaluate. When encrypted and backed-up, archiving provides additional protections for information against loss and unauthorized exposure.
- **Anti-Spam and Anti-Malware:** PCI stipulates that organizations implement appropriate technologies to protect from phishing and malware at the email gateway that could compromise the email system and cardholder data. To protect against advanced malware and zero-day attacks, a firewall is essential but not enough. It becomes necessary to implement, regularly update and audit a firewall, email filter and antivirus software to protect the messaging system from unexpected threats at the email gateway.
- **User Training & Awareness:** While the right mix of email security technologies is necessary to achieve compliance, technologies are only as smart as the people using them. Educate users on acceptable use policies for email; train them to identify fraudulent email, phishing scams and other *pretexting* that threatens the security of messaging system and integrity of customer information floating within it.

## Compliance doesn't have to be complex

Despite PCI DSS providing clear direction to the form businesses email security systems should take, many businesses struggle to secure cardholder information exchanged via email, and even when they do, data breaches still happen. The problem is often that the technologies designed to help meet complex compliance requirements are often as complicated as the regulations themselves, posing their own set of challenges to securing email:

- **Difficult to Use, Difficult to Adopt:** Often technologies created to ensure regulatory compliance inhibit email functionality and workflow, frustrating users. According to a 2011 study by the Ponemon Institute, over half of email encryption users were frustrated with their encryption solutions being inflexible and difficult to use. When technology is difficult to use, managers may have difficulty enforcing policy and users may opt not to use them, which can expose your organization to data leakage and compliance violations.
- **PKI Key Management is Time Consuming and Expensive:** It's no secret that key management is costly. While a key management solution may be necessary for encryption with outdated technology, the cost and time involved to manage it is more than just an inconvenience - eating into management productivity and your budget. Yet the alternative of selecting a cheap solution could result in unrecoverable data. According to a 2011 study, About 52 percent of the businesses said they have had serious key management problems, with about a third claiming that keys were lost or misplaced keys and another third citing key failure.
- **Data Leakage Can Still Occur:** The understated truth is that compliance does not equal security. Businesses that implement vendors' technologies for secure email, technologies that claim to conform to PCIDSS requirements, don't always have the features necessary to catch user-mistakes and policy violations that result in data loss.

Solutions for secure email should complement existing email rather than complicate it. It is important to implement a solution that conforms to requirements for PCIDSS and is powerful enough to prevent data loss without compromising the functionality and workflow of existing email that your business depends on. With many out-of-the-box solutions floating around the market, your organization should consider a solution that works well with existing email to simplify complexity of management, and encourages adoption use by end-users.

The Secure Messaging Platform is a cloud solution for email encryption, secure file transfer and DLP that helps address PCIDSS requirements, and lets you use your email just the way it is.

The Secure Messaging Platform:

- Simplifies the complexity of secure communication and collaboration, preserving workflow by integrating seamlessly with any email platform including MS Outlook, MS Office 365, Gmail and Zimbra (for both sender and recipients regardless of their network configuration).
- Conforms to GLBA technical requirements for secure transmission of NPI.
- Safeguards confidential emails and files from unauthorized disclosure or loss through powerful DLP tracking features and permissions tools; additionally allowing recall of messages and attachments even if the content has already been read.
- Automates and securely delivers messages and file attachments decrypted to any email archive database or third party application through a secure API.
- Enables anytime, anywhere secure communication and collaboration by allowing users to send, track and receive secure email and attachments on any mobile device including iPhone, iPad, Android, BlackBerry and Windows Phone.

## About the Secure Messaging Platform

The makers of the Secure Messaging Platform believe that email security should complement your email, not complicate it. Our cloud-based solutions for secure file transfer and email encryption work seamlessly with any email to enable secure communication and collaboration anytime, anywhere.