

Judge denies SEC oversight of cybersecurity controls in SolarWinds case

Description

A federal judge recently rejected a bid by the Securities and Exchange Commission to regulate corporate cybersecurity controls. The decision came in a case involving SolarWinds, a company that was the victim of a major cyberattack in 2020. The judge ruled that the SEC only has authority over financial controls, not all internal controls. This decision was seen as a relief for companies concerned about potential penalties for breaches by hackers. The judge's ruling stated that the SEC's broad interpretation of the law could have far-reaching implications beyond financial controls. While the case has not been entirely dismissed, SolarWinds expressed gratitude for the industry's support. The SEC will have the opportunity to pursue claims of securities fraud against SolarWinds and a top security executive for allegedly making false statements about the company's cybersecurity measures.

Vocabulary List:

1. **Regulate** /'reg.jュ.leɪt/ (verb): To control or supervise by means of rules or regulations.
2. **Cybersecurity** /,saɪ.bər.sɪ'kjʊr.ə.ti/ (noun): The practice of protecting systems networks and programs from digital attacks.
3. **Authority** /ə'θɔ:r.i.ti/ (noun): The power or right to give orders make decisions and enforce obedience.
4. **Implications** /,ɪm.plɪ'keɪ.ʃənz/ (noun): Suggestions or consequences that may not be directly stated.
5. **Concerns** /kən'sɜ:rnz/ (noun): Worries or anxieties about something.
6. **Securities** /sɪ'kjʊər.i.tiz/ (noun): Financial instruments that hold some monetary value and can be traded.

Comprehension Questions

Multiple Choice

1. Who rejected the bid by the Securities and Exchange Commission to regulate corporate cybersecurity controls?

Option: A federal judge
Option: The President
Option: The CEO of SolarWinds
Option: The SEC commissioner



2. Which company was the victim of a major cyberattack in 2020 in the case involving the SEC regulation bid?

- Option: SolarWinds
- Option: Microsoft
- Option: Apple
- Option: Google

3. What did the judge rule regarding the SEC's authority in the case of corporate cybersecurity controls?

- Option: The SEC has authority over all internal controls
- Option: The SEC has authority over financial controls only
- Option: The SEC has no authority over cybersecurity controls
- Option: The SEC has authority over all controls related to technology

4. Why was the judge's ruling seen as a relief for companies?

- Option: Companies were facing potential penalties for breaches by hackers
- Option: Companies were facing lawsuits from the SEC
- Option: Companies were being audited by the SEC
- Option: Companies were experiencing internal control issues

5. What did SolarWinds express gratitude for in the aftermath of the judge's ruling?

- Option: The SEC's actions
- Option: The industry's support
- Option: The hackers responsible for the cyberattack
- Option: The judge

6. What action can the SEC take following the rejection of its bid to regulate corporate cybersecurity controls in the case?

- Option: Continue regulating all internal controls
- Option: Pursue claims of securities fraud against SolarWinds
- Option: File a lawsuit against the judge
- Option: Impose fines on other companies

Answer

Multiple Choice: 1. A federal judge 2. SolarWinds 3. The SEC has authority over financial controls only 4. Companies were facing potential penalties for breaches by hackers 5. The industry's support 6. Pursue claims of securities fraud against SolarWinds

Vocabulary quizzes

Multiple Choice (Select the Correct answer for each question.)

1. Which aspect of a country refers to the production consumption and distribution of goods and services?

- Option: Interest
- Option: Economy
- Option: Funding
- Option: Cybersecurity

2. What industry involves people traveling for leisure or business purposes?

- Option: Rally
- Option: Tourism
- Option: Shrank
- Option: Authority

3. What activity involves putting money into financial schemes shares or property with the expectation of achieving a profit?

- Option: Demand
- Option: Investment
- Option: Hike
- Option: Implications

4. What economic indicator measures changes in the price level of a basket of consumer goods and services purchased by households?

- Option: Debut
- Option: Cybersecurity
- Option: CPI
- Option: Economic

5. Who are individuals or entities that engage in the buying and selling of financial assets in any financial market?

- Option: Interest
- Option: Traders
- Option: Regulate
- Option: Surging

6. What term describes an increase in value or price?

- Option: Transactions
- Option: Rising
- Option: Sell-off
- Option: Percent

7. How well an investment or market is doing is often indicated by its _____.

Option: Economic
Option: Performance
Option: Debut
Option: Strength

8. What is the cost of borrowing money usually expressed as a percentage?

Option: Concerns
Option: Implications
Option: Interest
Option: Authority

9. The government often establishes rules to control or supervise financial activities. This process is known as _____.

Option: Securities
Option: Funding
Option: Regulate
Option: Investment

10. When something is rapidly increasing or growing it is described as _____.

Option: Cybersecurity
Option: Surging
Option: Performance
Option: Tourist

Gap-Fill (Fill in the blanks with the correct word from the vocabulary list.)

11. The process of putting money into financial schemes with the expectation of profit is known as _____.

_____.

12. The level of desire or need for a particular product or service in the market is referred to as _____.

_____.

13. Investors may have _____ about market volatility and economic uncertainty.

14. A sudden increase in interest rates is called an interest rate _____.

15. The buying and selling of assets securities or goods are known as financial _____.

16. The state of a country's production consumption and distribution of goods and services is referred to as _____.

the _____.

17. The money that is provided for a specific purpose such as starting a business or a project is known as _____.

18. The practice of protecting systems networks and programs from digital attacks is called _____.

19. The power or right to give orders make decisions and enforce obedience is known as _____.

20. One hundred is equal to one _____.

Matching Sentences (Match each definition to the correct word from the vocabulary list.)

21. The bank charges a certain percentage for clients who borrow money for loans.

22. Someone who travels to explore new destinations and experiences cultures other than their own.

23. The potential consequences or effects of a decision or action taken by an individual or organization.

24. Investments such as stocks bonds and options that represent ownership or creditorship in a company or a governmental body.

25. Related to the production distribution and consumption of goods and services within a geographic region.

26. The power or capability of an individual an organization or a country to achieve their objectives or overcome challenges.

27. The economy contracted or decreased in size due to various factors like reduced demand or productivity.

28. The first appearance or launch of a new product service or entity in the market or public eye.

29. The quantity of a good or service that people are willing and able to purchase at a given price level.



30. A situation in which a large volume of assets or securities is sold by investors often resulting in a decline in prices.

Answer

Multiple Choice: 1. Economy 2. Tourism 3. Investment 4. CPI 5. Traders 6. Rising 7. Performance 8. Interest 9. Regulate 10. Surging

Gap-Fill: 11. Investment 12. Demand 13. Concerns 14. Hike 15. Transactions 16. Economy 17. Funding 18. Cybersecurity 19. Authority 20. Percent

Matching sentence: 1. Interest 2. Tourist 3. Implications 4. Securities 5. Economic 6. Strength 7. Shrank 8. Debut 9. Demand 10. Sell-off

CATEGORY

1. Business - LEVEL1

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