

THIRD-PARTY VENDOR RISK

Your firm is only as strong as its weakest link.

The Supply Chain Attack

Cybercriminals are increasingly targeting the software companies you use (Payroll, Tax Prep, CRM) to gain a "backdoor" into your firm. If your vendor is breached, **your** client data is the prize.

The Responsibility Shift

Under the FTC Safeguards Rule, you are legally responsible for ensuring your service providers maintain adequate security. You cannot outsource your liability.

CardinalsByte Action Plan

Vendor Due Diligence

- **Request SOC 2 Reports:** Don't take their word for it; ask for independent security audits.
- **Right to Audit:** Ensure your contracts allow you to verify their security posture.
- **Data Disposal:** Confirm how they destroy your client data once the contract ends.

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Cybersecurity Compliance & Risk for:
Small Business, CPAs, Tax Professionals, Bookkeepers and Accountants

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