

IAPP

Exam Questions CIPP-E

Certified Information Privacy Professional/Europe (CIPP/E)



NEW QUESTION 1

In the event of a data breach, which type of information are data controllers NOT required to provide to either the supervisory authorities or the data subjects?

- A. The predicted consequences of the breach.
- B. The measures being taken to address the breach.
- C. The type of security safeguards used to protect the data.
- D. The contact details of the appropriate data protection officer.

Answer: D

NEW QUESTION 2

With the issue of consent, the GDPR allows member states some choice regarding what?

- A. The mechanisms through which consent may be communicated
- B. The circumstances in which silence or inactivity may constitute consent
- C. The age at which children must be required to obtain parental consent
- D. The timeframe in which data subjects are allowed to withdraw their consent

Answer: C

NEW QUESTION 3

To which of the following parties does the territorial scope of the GDPR NOT apply?

- A. All member countries of the European Economic Area.
- B. All member countries party to the Treaty of Lisbon.
- C. All member countries party to the Paris Agreement.
- D. All member countries of the European Union.

Answer: A

NEW QUESTION 4

SCENARIO

Please use the following to answer the next question:

Anna and Frank both work at Granchester University. Anna is a lawyer responsible for data protection, while Frank is a lecturer in the engineering department. The University maintains a number of types of records:

- Student records, including names, student numbers, home addresses, pre-university information, university attendance and performance records, details of special educational needs and financial information.
- Staff records, including autobiographical materials (such as curricula, professional contact files, student evaluations and other relevant teaching files).
- Alumni records, including birthplaces, years of birth, dates of matriculation and conferrals of degrees.

These records are available to former students after registering through Granchester's Alumni portal. Department for Education records, showing how certain demographic groups (such as first-generation students) could be expected, on average, to progress. These records do not contain names or identification numbers.

➤ Under their security policy, the University encrypts all of its personal data records in transit and at rest. In order to improve his teaching, Frank wants to investigate how his engineering students perform in relation to Department for Education expectations. He has attended one of Anna's data protection training courses and knows that he should use no more personal data than necessary to accomplish his goal. He creates a program that will only export some student data: previous schools attended, grades originally obtained, grades currently obtained and first time university attended. He wants to keep the records at the individual student level. Mindful of Anna's training, Frank runs the student numbers through an algorithm to transform them into different reference numbers. He uses the same algorithm on each occasion so that he can update each record over time.

One of Anna's tasks is to complete the record of processing activities, as required by the GDPR. After receiving her email reminder, as required by the GDPR. After receiving her email reminder, Frank informs Anna about his performance database.

Ann explains to Frank that, as well as minimizing personal data, the University has to check that this new use of existing data is permissible. She also suspects that, under the GDPR, a risk analysis may have to be carried out before the data processing can take place. Anna arranges to discuss this further with Frank after she has done some additional research.

Frank wants to be able to work on his analysis in his spare time, so he transfers it to his home laptop (which is not encrypted). Unfortunately, when Frank takes the laptop into the University he loses it on the train. Frank has to see Anna that day to discuss compatible processing. He knows that he needs to report security incidents, so he decides to tell Anna about his lost laptop at the same time.

Before Anna determines whether Frank's performance database is permissible, what additional information does she need?

- A. More information about Frank's data protection training.
- B. More information about the extent of the information loss.
- C. More information about the algorithm Frank used to mask student numbers.
- D. More information about what students have been told and how the research will be used.

Answer: D

NEW QUESTION 5

According to the European Data Protection Board, which of the following concepts or practices does NOT follow from the principles relating to the processing of personal data under EU data protection law?

- A. Data ownership allocation.
- B. Access control management.
- C. Frequent pseudonymization key rotation.
- D. Error propagation avoidance along the processing chain.

Answer: C

NEW QUESTION 6

SCENARIO

Please use the following to answer the next question:

Louis, a long-time customer of Bedrock Insurance, was involved in a minor car accident a few months ago. Although no one was hurt, Louis has been plagued by texts and calls from a company called Accidentable offering to help him recover compensation for personal injury. Louis has heard about insurance companies selling customers' data to third parties, and he's convinced that Accidentable must have gotten his information from Bedrock Insurance.

Louis has also been receiving an increased amount of marketing information from Bedrock, trying to sell him their full range of their insurance policies.

Perturbed by this, Louis has started looking at price comparison sites on the internet and has been shocked to find that other insurers offer much cheaper rates than Bedrock, even though he has been a loyal customer for many years. When his Bedrock policy comes up for renewal, he decides to switch to Zantrum Insurance.

In order to activate his new insurance policy, Louis needs to supply Zantrum with information about his No Claims bonus, his vehicle and his driving history. After researching his rights under the GDPR, he writes to ask Bedrock to transfer his information directly to Zantrum. He also takes this opportunity to ask Bedrock to stop using his personal data for marketing purposes.

Bedrock supplies Louis with a PDF and XML (Extensible Markup Language) versions of his No Claims Certificate, but tells Louis it cannot transfer his data directly to Zantrum as this is not technically feasible. Bedrock also explains that Louis's contract included a provision whereby Louis agreed that his data could be used for marketing purposes; according to Bedrock, it is too late for Louis to change his mind about this. It angers Louis when he recalls the wording of the contract, which was filled with legal jargon and very confusing.

In the meantime, Louis is still receiving unwanted calls from Accidentable Insurance. He writes to Accidentable to ask for the name of the organization that supplied his details to them. He warns Accidentable that he plans to complain to the data protection authority, because he thinks their company has been using his data unlawfully. His letter states that he does not want his data being used by them in any way.

Accidentable's response letter confirms Louis's suspicions. Accidentable is Bedrock Insurance's wholly owned subsidiary, and they received information about Louis's accident from Bedrock shortly after Louis submitted his accident claim. Accidentable assures Louis that there has been no breach of the GDPR, as Louis's contract included, a provision in which he agreed to share his information with Bedrock's affiliates for business purposes.

Louis is disgusted by the way in which he has been treated by Bedrock, and writes to them insisting that all his information be erased from their computer system. After Louis has exercised his right to restrict the use of his data, under what conditions would Accidentable have grounds for refusing to comply?

- A. If Accidentable is entitled to use of the data as an affiliate of Bedrock.
- B. If Accidentable also uses the data to conduct public health research.
- C. If the data becomes necessary to defend Accidentable's legal rights.
- D. If the accuracy of the data is not an aspect that Louis is disputing.

Answer: A

NEW QUESTION 7

SCENARIO

Please use the following to answer the next question:

WonderkKids provides an online booking service for childcare. Wonderkids is based in France, but hosts its website through a company in Switzerland. As part of their service, WonderKids will pass all personal data provided to them to the childcare provider booked through their system. The type of personal data collected on the website includes the name of the person booking the childcare, address and contact details, as well as information about the children to be cared for including name, age, gender and health information. The privacy statement on Wonderkids' website states the following:

"WonderkKids provides the information you disclose to us through this website to your childcare provider for scheduling and health and safety reasons. We may also use your and your child's personal information for our own legitimate business purposes and we employ a third-party website hosting company located in Switzerland to store the data. Any data stored on equipment located in Switzerland meets the European Commission provisions for guaranteeing adequate safeguards for you and your child's personal information. We will only share you and your child's personal information with businesses that we see as adding real value to you. By providing us with any personal data, you consent to its transfer to affiliated businesses and to send you promotional offers."

"We may retain you and your child's personal information for no more than 28 days, at which point the data will be depersonalized, unless your personal information is being used for a legitimate business purpose beyond 28 days where it may be retained for up to 2 years."

"We are processing you and your child's personal information with your consent. If you choose not to provide certain information to us, you may not be able to use our services. You have the right to: request access to you and your child's personal information; rectify or erase you or your child's personal information; the right to correction or erasure of you and/or your child's personal information; object to any processing of you and your child's personal information. You also have the right to complain to the supervisory authority about our data processing activities."

What additional information must Wonderkids provide in their Privacy Statement?

- A. How often promotional emails will be sent.
- B. Contact information of the hosting company.
- C. Technical and organizational measures to protect data.
- D. The categories of recipients with whom data will be shared.

Answer: B

NEW QUESTION 8

What is the consequence if a processor makes an independent decision regarding the purposes and means of processing it carries out on behalf of a controller?

- A. The controller will be liable to pay an administrative fine
- B. The processor will be liable to pay compensation to affected data subjects
- C. The processor will be considered to be a controller in respect of the processing concerned
- D. The controller will be required to demonstrate that the unauthorized processing negatively affected one or more of the parties involved

Answer: B

NEW QUESTION 9

Which area of privacy is a lead supervisory authority's (LSA) MAIN concern?

- A. Data subject rights
- B. Data access disputes
- C. Cross-border processing
- D. Special categories of data

Answer: C

NEW QUESTION 10

Which type of personal data does the GDPR define as a “special category” of personal data?

- A. Educational history.
- B. Trade-union membership.
- C. Closed Circuit Television (CCTV) footage.
- D. Financial information.

Answer: B

NEW QUESTION 10

Which change was introduced by the 2009 amendments to the e-Privacy Directive 2002/58/EC?

- A. A voluntary notification for personal data breaches applicable to all data controllers.
- B. A voluntary notification for personal data breaches applicable to electronic communication providers.
- C. A mandatory notification for personal data breaches applicable to all data controllers.
- D. A mandatory notification for personal data breaches applicable to electronic communication providers.

Answer: D

NEW QUESTION 13

To receive a preliminary interpretation on provisions of the GDPR, a national court will refer its case to which of the following?

- A. The Court of Justice of the European Union.
- B. The European Data Protection Supervisor.
- C. The European Court of Human Rights.
- D. The European Data Protection Board.

Answer: A

NEW QUESTION 14

What obligation does a data controller or processor have after appointing a data protection officer?

- A. To ensure that the data protection officer receives sufficient instructions regarding the exercise of his or her defined tasks.
- B. To provide resources necessary to carry out the defined tasks of the data protection officer and to maintain his or her expert knowledge.
- C. To ensure that the data protection officer acts as the sole point of contact for individuals' Questions: about their personal data.
- D. To submit for approval to the data protection officer a code of conduct to govern organizational practices and demonstrate compliance with data protection principles.

Answer: D

NEW QUESTION 19

What is a reason the European Court of Justice declared the Data Retention Directive invalid in 2014?

- A. The requirements affected individuals without exception.
- B. The requirements were financially burdensome to EU businesses.
- C. The requirements specified that data must be held within the EU.
- D. The requirements had limitations on how national authorities could use data.

Answer: D

NEW QUESTION 21

Article 58 of the GDPR describes the power of supervisory authorities. Which of the following is NOT among those granted?

- A. Legislative powers.
- B. Corrective powers.
- C. Investigatory powers.
- D. Authorization and advisory powers.

Answer: D

NEW QUESTION 24

In which of the following situations would an individual most likely to be able to withdraw her consent for processing?

- A. When she is leaving her bank and moving to another bank.
- B. When she has recently changed jobs and no longer works for the same company.
- C. When she disagrees with a diagnosis her doctor has recorded on her records.
- D. When she no longer wishes to be sent marketing materials from an organization.

Answer: D

NEW QUESTION 28

An employee of company ABCD has just noticed a memory stick containing records of client data, including their names, addresses and full contact details has disappeared. The data on the stick is unencrypted and in clear text. It is uncertain what has happened to the stick at this stage, but it likely was lost during the travel of an employee. What should the company do?

- A. Notify as soon as possible the data protection supervisory authority that a data breach may have taken place.
- B. Launch an investigation and if nothing is found within one month, notify the data protection supervisory authority.
- C. Invoke the “disproportionate effort” exception under Article 33 to postpone notifying data subjects until more information can be gathered.
- D. Immediately notify all the customers of the company that their information has been accessed by an unauthorized person.

Answer: A

NEW QUESTION 30

Under the GDPR, which essential pieces of information must be provided to data subjects before collecting their personal data?

- A. The authority by which the controller is collecting the data and the third parties to whom the data will be sent.
- B. The name/s of relevant government agencies involved and the steps needed for revising the data.
- C. The identity and contact details of the controller and the reasons the data is being collected.
- D. The contact information of the controller and a description of the retention policy.

Answer: C

NEW QUESTION 31

Select the answer below that accurately completes the following: “The right to compensation and liability under the GDPR...

- A. ...provides for an exemption from liability if the data controller (or data processor) proves that it is not in any way responsible for the event giving rise to the damage.”
- B. ...precludes any subsequent recourse proceedings against other controllers or processors involved in the same processing.”
- C. ...can only be exercised against the data controller, even if a data processor was involved in the same processing.”
- D. ...is limited to a maximum amount of EUR 20 million per event of damage or loss.”

Answer: B

NEW QUESTION 34

SCENARIO

Please use the following to answer the next question:

Sandy recently joined Market4U, an advertising technology company founded in 2016, as their VP of Privacy and Data Governance. Through her first initiative in conducting a data inventory, Sandy learned that Market4U maintains a list of 19 million global contacts that were collected throughout the course of Market4U's existence. Knowing the risk of having such a large amount of data, Sandy wanted to purge all contacts that were entered into Market4U's systems prior to May 2018, unless such contacts had a more recent interaction with Market4U content. However, Dan, the VP of Sales, informed Sandy that all of the contacts provide useful information regarding successful marketing campaigns and trends in industry verticals for Market4U's clients.

Dan also informed Sandy that he had wanted to focus on gaining more customers within the sports and entertainment industry. To assist with this behavior, Market4U's marketing team decided to add several new fields to Market4U's website forms, including forms for downloading white papers, creating accounts to participate in Market4U's forum, and attending events. Such fields include birth date and salary.

What is the best way that Sandy can gain the insights that Dan seeks while still minimizing risks for Market4U?

- A. Conduct analysis only on anonymized personal data.
- B. Conduct analysis only on pseudonymized personal data.
- C. Delete all data collected prior to May 2018 after conducting the trend analysis.
- D. Procure a third party to conduct the analysis and delete the data from Market4U's systems.

Answer: A

NEW QUESTION 37

In which scenario is a Controller most likely required to undertake a Data Protection Impact Assessment?

- A. When the controller is collecting email addresses from individuals via an online registration form for marketing purposes.
- B. When personal data is being collected and combined with other personal data to profile the creditworthiness of individuals.
- C. When the controller is required to have a Data Protection Officer.
- D. When personal data is being transferred outside of the EEA.

Answer: C

NEW QUESTION 42

What is the MAIN reason GDPR Article 4(22) establishes the concept of the “concerned supervisory authority”?

- A. To encourage the consistency of local data processing activity.
- B. To give corporations a choice about who their supervisory authority will be.
- C. To ensure the GDPR covers controllers that do not have an establishment in the EU but have a representative in a member state.
- D. To ensure that the interests of individuals residing outside the lead authority's jurisdiction are represented.

Answer: A

NEW QUESTION 47

SCENARIO

Please use the following to answer the next question:

T-Craze, a German-headquartered specialty t-shirt company, was successfully selling to large German metropolitan cities. However, after a recent merger with another German-based company that was selling to a broader European market, T-Craze revamped its marketing efforts to sell to a wider audience. These efforts

included a complete redesign of its logo to reflect the recent merger, and improvements to its website meant to capture more information about visitors through the use of cookies.

T-Craze also opened various office locations throughout Europe to help expand its business. While Germany continued to host T-Craze's headquarters and main product-design office, its French affiliate became responsible for all marketing and sales activities. The French affiliate recently procured the services of Right Target, a renowned marketing firm based in the Philippines, to run its latest marketing campaign. After thorough research, Right Target determined that T-Craze is most successful with customers between the ages of 18 and 22. Thus, its first campaign targeted university students in several European capitals, which yielded nearly 40% new customers for T-Craze in one quarter. Right Target also ran subsequent campaigns for T-Craze, though with much less success.

The last two campaigns included a wider demographic group and resulted in countless unsubscribe requests, including a large number in Spain. In fact, the Spanish data protection authority received a complaint from Sofia, a mid-career investment banker. Sofia was upset after receiving a marketing communication even after unsubscribing from such communications from the Right Target on behalf of T-Craze.

Which of the following is T-Craze's lead supervisory authority?

- A. Germany, because that is where T-Craze is headquartered.
- B. France, because that is where T-Craze conducts processing of personal information.
- C. Spain, because that is T-Craze's primary market based on its marketing campaigns.
- D. T-Craze may choose its lead supervisory authority where any of its affiliates are based, because it has presence in several European countries.

Answer: C

NEW QUESTION 50

Which judicial body makes decisions on actions taken by individuals wishing to enforce their rights under EU law?

- A. Court of Auditors
- B. Court of Justice of European Union
- C. European Court of Human Rights
- D. European Data Protection Board

Answer: B

NEW QUESTION 55

SCENARIO

Please use the following to answer the next question:

Liem, an online retailer known for its environmentally friendly shoes, has recently expanded its presence in Europe. Anxious to achieve market dominance, Liem teamed up with another eco friendly company, EcoMick, which sells accessories like belts and bags. Together the companies drew up a series of marketing campaigns designed to highlight the environmental and economic benefits of their products. After months of planning, Liem and EcoMick entered into a data sharing agreement to use the same marketing database, MarketIQ, to send the campaigns to their respective contacts.

Liem and EcoMick also entered into a data processing agreement with MarketIQ, the terms of which included processing personal data only upon Liem and EcoMick's instructions, and making available to them all information necessary to demonstrate compliance with GDPR obligations.

Liem and EcoMick then procured the services of a company called JaphSoft, a marketing optimization firm that uses machine learning to help companies run successful campaigns. Clients provide JaphSoft with the personal data of individuals they would like to be targeted in each campaign. To ensure protection of its clients' data, JaphSoft implements the technical and organizational measures it deems appropriate. JaphSoft works to continually improve its machine learning models by analyzing the data it receives from its clients to determine the most successful components of a successful campaign. JaphSoft then uses such models in providing services to its client-base. Since the models improve only over a period of time as more information is collected, JaphSoft does not have a deletion process for the data it receives from clients. However, to ensure compliance with data privacy rules, JaphSoft pseudonymizes the personal data by removing identifying information from the contact information. JaphSoft's engineers, however, maintain all contact information in the same database as the identifying information.

Under its agreement with Liem and EcoMick, JaphSoft received access to MarketIQ, which included contact information as well as prior purchase history for such contacts, to create campaigns that would result in the most views of the two companies' websites. A prior Liem customer, Ms. Iman, received a marketing campaign from JaphSoft regarding Liem's as well as EcoMick's latest products. While Ms. Iman recalls checking a box to receive information in the future regarding Liem's products, she has never shopped EcoMick, nor provided her personal data to that company.

Why would the consent provided by Ms. Iman NOT be considered valid in regard to JaphSoft?

- A. She was not told which controller would be processing her personal data.
- B. She only viewed the visual representations of the privacy notice Liem provided.
- C. She did not read the privacy notice stating that her personal data would be shared.
- D. She has never made any purchases from JaphSoft and has no relationship with the company.

Answer: C

NEW QUESTION 57

Under Article 58 of the GDPR, which of the following describes a power of supervisory authorities in European Union (EU) member states?

- A. The ability to enact new laws by executive order.
- B. The right to access data for investigative purposes.
- C. The discretion to carry out goals of elected officials within the member state.
- D. The authority to select penalties when a controller is found guilty in a court of law.

Answer: B

NEW QUESTION 59

What is true of both the General Data Protection Regulation (GDPR) and the Council of Europe Convention 108?

- A. Both govern international transfers of personal data
- B. Both govern the manual processing of personal data
- C. Both only apply to European Union countries
- D. Both require notification of processing activities to a supervisory authority

Answer: D

NEW QUESTION 61

According to the GDPR, what is the main task of a Data Protection Officer (DPO)?

- A. To create and maintain records of processing activities.
- B. To conduct Privacy Impact Assessments on behalf of the controller or processor.
- C. To monitor compliance with other local or European data protection provisions.
- D. To create procedures for notification of personal data breaches to competent supervisory authorities.

Answer: B

NEW QUESTION 65

SCENARIO

Please use the following to answer the next question:

Building Block Inc. is a multinational company, headquartered in Chicago with offices throughout the United States, Asia, and Europe (including Germany, Italy, France and Portugal). Last year the company was the victim of a phishing attack that resulted in a significant data breach. The executive board, in coordination with the general manager, their Privacy Office and the Information Security team, resolved to adopt additional security measures. These included training awareness programs, a cybersecurity audit, and use of a new software tool called SecurityScan, which scans employees' computers to see if they have software that is no longer being supported by a vendor and therefore not getting security updates. However, this software also provides other features, including the monitoring of employees' computers.

Since these measures would potentially impact employees, Building Block's Privacy Office decided to issue a general notice to all employees indicating that the company will implement a series of initiatives to enhance information security and prevent future data breaches.

After the implementation of these measures, server performance decreased. The general manager instructed the Security team on how to use SecurityScan to monitor employees' computers activity and their location. During these activities, the Information Security team discovered that one employee from Italy was daily connecting to a video library of movies, and another one from Germany worked remotely without authorization. The Security team reported these incidents to the Privacy Office and the general manager. In their report, the team concluded that the employee from Italy was the reason why the server performance decreased. Due to the seriousness of these infringements, the company decided to apply disciplinary measures to both employees, since the security and privacy policy of the company prohibited employees from installing software on the company's computers, and from working remotely without authorization.

What would be the MOST APPROPRIATE way for Building Block to handle the situation with the employee from Italy?

- A. Since the GDPR does not apply to this situation, the company would be entitled to apply any disciplinary measure authorized under Italian labor law.
- B. Since the employee was the cause of a serious risk for the server performance and their data, the company would be entitled to apply disciplinary measures to this employee, including fair dismissal.
- C. Since the employee was not informed that the security measures would be used for other purposes such as monitoring, the company could face difficulties in applying any disciplinary measures to this employee.
- D. Since this was a serious infringement, but the employee was not appropriately informed about the consequences the new security measures, the company would be entitled to apply some disciplinary measures, but not dismissal.

Answer: D

NEW QUESTION 66

Which of the following would MOST likely trigger the extraterritorial effect of the GDPR, as specified by Article 3?

- A. The behavior of suspected terrorists being monitored by EU law enforcement bodies.
- B. Personal data of EU citizens being processed by a controller or processor based outside the EU.
- C. The behavior of EU citizens outside the EU being monitored by non-EU law enforcement bodies.
- D. Personal data of EU residents being processed by a non-EU business that targets EU customers.

Answer: B

NEW QUESTION 70

SCENARIO

Please use the following to answer the next question:

WonderkKids provides an online booking service for childcare. Wonderkids is based in France, but hosts its website through a company in Switzerland. As part of their service, WonderKids will pass all personal data provided to them to the childcare provider booked through their system. The type of personal data collected on the website includes the name of the person booking the childcare, address and contact details, as well as information about the children to be cared for including name, age, gender and health information. The privacy statement on Wonderkids' website states the following:

"WonderkKids provides the information you disclose to us through this website to your childcare provider for scheduling and health and safety reasons. We may also use your and your child's personal information for our own legitimate business purposes and we employ a third-party website hosting company located in Switzerland to store the data. Any data stored on equipment located in Switzerland meets the European Commission provisions for guaranteeing adequate safeguards for you and your child's personal information.

We will only share you and your child's personal information with businesses that we see as adding real value to you. By providing us with any personal data, you consent to its transfer to affiliated businesses and to send you promotional offers."

"We may retain you and your child's personal information for no more than 28 days, at which point the data will be depersonalized, unless your personal information is being used for a legitimate business purpose beyond 28 days where it may be retained for up to 2 years."

"We are processing you and your child's personal information with your consent. If you choose not to provide certain information to us, you may not be able to use our services. You have the right to: request access to you and your child's personal information; rectify or erase you or your child's personal information; the right to correction or erasure of you and/or your child's personal information; object to any processing of you and your child's personal information. You also have the right to complain to the supervisory authority about our data processing activities."

What must the contract between WonderKids and the hosting service provider contain?

- A. The requirement to implement technical and organizational measures to protect the data.
- B. Controller-to-controller model contract clauses.
- C. Audit rights for the data subjects.
- D. A non-disclosure agreement.

Answer: A

NEW QUESTION 73

SCENARIO

Please use the following to answer the next question:

Liem, an online retailer known for its environmentally friendly shoes, has recently expanded its presence in Europe. Anxious to achieve market dominance, Liem teamed up with another eco friendly company, EcoMick, which sells accessories like belts and bags. Together the companies drew up a series of marketing campaigns designed to highlight the environmental and economic benefits of their products. After months of planning, Liem and EcoMick entered into a data sharing agreement to use the same marketing database, MarketIQ, to send the campaigns to their respective contacts. Liem and EcoMick also entered into a data processing agreement with MarketIQ, the terms of which included processing personal data only upon Liem and EcoMick's instructions, and making available to them all information necessary to demonstrate compliance with GDPR obligations. Liem and EcoMick then procured the services of a company called JaphSoft, a marketing optimization firm that uses machine learning to help companies run successful campaigns. Clients provide JaphSoft with the personal data of individuals they would like to be targeted in each campaign. To ensure protection of its clients' data, JaphSoft implements the technical and organizational measures it deems appropriate. JaphSoft works to continually improve its machine learning models by analyzing the data it receives from its clients to determine the most successful components of a successful campaign. JaphSoft then uses such models in providing services to its client-base. Since the models improve only over a period of time as more information is collected, JaphSoft does not have a deletion process for the data it receives from clients. However, to ensure compliance with data privacy rules, JaphSoft pseudonymizes the personal data by removing identifying information from the contact information. JaphSoft's engineers, however, maintain all contact information in the same database as the identifying information. Under its agreement with Liem and EcoMick, JaphSoft received access to MarketIQ, which included contact information as well as prior purchase history for such contacts, to create campaigns that would result in the most views of the two companies' websites. A prior Liem customer, Ms. Iman, received a marketing campaign from JaphSoft regarding Liem's as well as EcoMick's latest products. While Ms. Iman recalls checking a box to receive information in the future regarding Liem's products, she has never shopped EcoMick, nor provided her personal data to that company. JaphSoft's use of pseudonymization is NOT in compliance with the CDPR because?

- A. JaphSoft failed to first anonymize the personal data.
- B. JaphSoft pseudonymized all the data instead of deleting what it no longer needed.
- C. JaphSoft was in possession of information that could be used to identify data subjects.
- D. JaphSoft failed to keep personally identifiable information in a separate database.

Answer: B

NEW QUESTION 74

If a data subject puts a complaint before a DPA and receives no information about its progress or outcome, how long does the data subject have to wait before taking action in the courts?

- A. 1 month.
- B. 3 months.
- C. 5 months.
- D. 12 months.

Answer: B

NEW QUESTION 75

Under Article 21 of the GDPR, a controller must stop profiling when requested by a data subject, unless it can demonstrate compelling legitimate grounds that override the interests of the individual. In the Guidelines on Automated individual decision-making and Profiling, the WP 29 says the controller needs to do all of the following to demonstrate that it has such legitimate grounds EXCEPT?

- A. Carry out an exercise that weighs the interests of the controller and the basis for the data subject's objection.
- B. Consider the impact of the profiling on the data subject's interest, rights and freedoms.
- C. Demonstrate that the profiling is for the purposes of direct marketing.
- D. Consider the importance of the profiling to their particular objective.

Answer: C

NEW QUESTION 77

SCENARIO

Please use the following to answer the next question:

Brady is a computer programmer based in New Zealand who has been running his own business for two years. Brady's business provides a low-cost suite of services to customers throughout the European Economic Area (EEA). The services are targeted towards new and aspiring small business owners. Brady's company, called Brady Box, provides web page design services, a Social Networking Service (SNS) and consulting services that help people manage their own online stores.

Unfortunately, Brady has been receiving some complaints. A customer named Anna recently uploaded her plans for a new product onto Brady Box's chat area, which is open to public viewing. Although she realized her mistake two weeks later and removed the document, Anna is holding Brady Box responsible for not noticing the error through regular monitoring of the website. Brady believes he should not be held liable.

Another customer, Felipe, was alarmed to discover that his personal information was transferred to a third-party contractor called Hermes Designs and worries that sensitive information regarding his business plans may be misused. Brady does not believe he violated European privacy rules. He provides a privacy notice to all of his customers explicitly stating that personal data may be transferred to specific third parties in fulfillment of a requested service. Felipe says he read the privacy notice but that it was long and complicated.

Brady continues to insist that Felipe has no need to be concerned, as he can personally vouch for the integrity of Hermes Designs. In fact, Hermes Designs has taken the initiative to create sample customized banner advertisements for customers like Felipe. Brady is happy to provide a link to the example banner ads, now posted on the Hermes Designs webpage. Hermes Designs plans on following up with direct marketing to these customers.

Brady was surprised when another customer, Serge, expressed his dismay that a quotation by him is being used within a graphic collage on Brady Box's home webpage. The quotation is attributed to Serge by first and last name. Brady, however, was not worried about any sort of litigation. He wrote back to Serge to let him know that he found the quotation within Brady Box's Social Networking Service (SNS), as Serge himself had posted the quotation. In his response, Brady did offer to remove the quotation as a courtesy.

Despite some customer complaints, Brady's business is flourishing. He even supplements his income through online behavioral advertising (OBA) via a third-party ad network with whom he has set clearly defined roles. Brady is pleased that, although some customers are not explicitly aware of the OBA, the advertisements contain useful products and services.

Based on current trends in European privacy practices, which aspect of Brady Box' Online Behavioral Advertising (OBA) is most likely to be insufficient if the company becomes established in Europe?

- A. The lack of the option to opt in.
- B. The level of security within the website.

- C. The contract with the third-party advertising network.
- D. The need to have the contents of the advertising approved.

Answer: A

NEW QUESTION 80

SCENARIO

Please use the following to answer the next question:

Javier is a member of the fitness club EVERFIT. This company has branches in many EU member states, but for the purposes of the GDPR maintains its primary establishment in France. Javier lives in Newry, Northern Ireland (part of the U.K.), and commutes across the border to work in Dundalk, Ireland. Two years ago while on a business trip, Javier was photographed while working out at a branch of EVERFIT in Frankfurt, Germany. At the time, Javier gave his consent to being included in the photograph, since he was told that it would be used for promotional purposes only. Since then, the photograph has been used in the club's U.K. brochures, and it features in the landing page of its U.K. website. However, the fitness club has recently fallen into disrepute due to widespread mistreatment of members at various branches of the club in several EU member states. As a result, Javier no longer feels comfortable with his photograph being publicly associated with the fitness club.

After numerous failed attempts to book an appointment with the manager of the local branch to discuss this matter, Javier sends a letter to EVERFIT requesting that his image be removed from the website and all promotional materials. Months pass and Javier, having received no acknowledgment of his request, becomes very anxious about this matter. After repeatedly failing to contact EVERFIT through alternate channels, he decides to take action against the company.

Javier contacts the U.K. Information Commissioner's Office ('ICO' – the U.K.'s supervisory authority) to lodge a complaint about this matter. The ICO, pursuant to Article 56 (3) of the GDPR, informs the CNIL (i.e. the supervisory authority of EVERFIT's main establishment) about this matter. Despite the fact that EVERFIT has an establishment in the U.K., the CNIL decides to handle the case in accordance with Article 60 of the GDPR. The CNIL liaises with the ICO, as relevant under the cooperation procedure. In light of issues amongst the supervisory authorities to reach a decision, the European Data Protection Board becomes involved and, pursuant to the consistency mechanism, issues a binding decision.

Additionally, Javier sues EVERFIT for the damages caused as a result of its failure to honor his request to have his photograph removed from the brochure and website.

Under the cooperation mechanism, what should the lead authority (the CNIL) do after it has formed its view on the matter?

- A. Submit a draft decision to other supervisory authorities for their opinion.
- B. Request that the other supervisory authorities provide the lead authority with a draft decision for its consideration.
- C. Submit a draft decision directly to the Commission to ensure the effectiveness of the consistency mechanism.
- D. Request that members of the seconding supervisory authority and the host supervisory authority co-draft a decision.

Answer: B

NEW QUESTION 82

Which of the following is an example of direct marketing that would be subject to European data protection laws?

- A. An updated privacy notice sent to an individual's personal email address.
- B. A charity fundraising event notice sent to an individual at her business address.
- C. A service outage notification provided to an individual by recorded telephone message.
- D. A revision of contract terms conveyed to an individual by SMS from a marketing organization.

Answer: B

NEW QUESTION 86

What is the most frequently used mechanism for legitimizing cross-border data transfer?

- A. Standard Contractual Clauses.
- B. Approved Code of Conduct.
- C. Binding Corporate Rules.
- D. Derogations.

Answer: A

NEW QUESTION 89

Which of the following countries will continue to enjoy adequacy status under the GDPR, pending any future European Commission decision to the contrary?

- A. Greece
- B. Norway
- C. Australia
- D. Switzerland

Answer: D

NEW QUESTION 94

A worker in a European Union (EU) member state has ceased his employment with a company. What should the employer most likely do in regard to the worker's personal data?

- A. Destroy sensitive information and store the rest per applicable data protection rules.
- B. Store all of the data in case the departing worker makes a subject access request.
- C. Securely store the data that is required to be kept under local law.
- D. Provide the employee the reasons for retaining the data.

Answer: A

NEW QUESTION 95

Pursuant to Article 4(5) of the GDPR, data is considered "pseudonymized" if?

- A. It cannot be attributed to a data subject without the use of additional information.
- B. It cannot be attributed to a person under any circumstances.
- C. It can only be attributed to a person by the controller.
- D. It can only be attributed to a person by a third party.

Answer: A

NEW QUESTION 98

What term BEST describes the European model for data protection?

- A. Sectoral
- B. Self-regulatory
- C. Market-based
- D. Comprehensive

Answer: A

NEW QUESTION 99

SCENARIO

Please use the following to answer the next question:

Louis, a long-time customer of Bedrock Insurance, was involved in a minor car accident a few months ago. Although no one was hurt, Louis has been plagued by texts and calls from a company called Accidentable offering to help him recover compensation for personal injury. Louis has heard about insurance companies selling customers' data to third parties, and he's convinced that Accidentable must have gotten his information from Bedrock Insurance.

Louis has also been receiving an increased amount of marketing information from Bedrock, trying to sell him their full range of their insurance policies.

Perturbed by this, Louis has started looking at price comparison sites on the internet and has been shocked to find that other insurers offer much cheaper rates than Bedrock, even though he has been a loyal customer for many years. When his Bedrock policy comes up for renewal, he decides to switch to Zantrum Insurance.

In order to activate his new insurance policy, Louis needs to supply Zantrum with information about his No Claims bonus, his vehicle and his driving history. After researching his rights under the GDPR, he writes to ask Bedrock to transfer his information directly to Zantrum. He also takes this opportunity to ask Bedrock to stop using his personal data for marketing purposes.

Bedrock supplies Louis with a PDF and XML (Extensible Markup Language) versions of his No Claims Certificate, but tells Louis it cannot transfer his data directly to Zantrum as this is not technically feasible. Bedrock also explains that Louis's contract included a provision whereby Louis agreed that his data could be used for marketing purposes; according to Bedrock, it is too late for Louis to change his mind about this. It angers Louis when he recalls the wording of the contract, which was filled with legal jargon and very confusing.

In the meantime, Louis is still receiving unwanted calls from Accidentable Insurance. He writes to Accidentable to ask for the name of the organization that supplied his details to them. He warns Accidentable that he plans to complain to the data protection authority, because he thinks their company has been using his data unlawfully. His letter states that he does not want his data being used by them in any way.

Accidentable's response letter confirms Louis's suspicions. Accidentable is Bedrock Insurance's wholly owned subsidiary, and they received information about Louis's accident from Bedrock shortly after Louis submitted his accident claim. Accidentable assures Louis that there has been no breach of the GDPR, as Louis's contract included, a provision in which he agreed to share his information with Bedrock's affiliates for business purposes.

Louis is disgusted by the way in which he has been treated by Bedrock, and writes to them insisting that all his information be erased from their computer system.

Which statement accurately summarizes Bedrock's obligation in regard to Louis's data portability request?

- A. Bedrock does not have a duty to transfer Louis's data to Zantrum if doing so is legitimately not technically feasible.
- B. Bedrock does not have to transfer Louis's data to Zantrum because the right to data portability does not apply where personal data are processed in order to carry out tasks in the public interest.
- C. Bedrock has failed to comply with the duty to transfer Louis's data to Zantrum because the duty applies wherever personal data are processed by automated means and necessary for the performance of a contract with the customer.
- D. Bedrock has failed to comply with the duty to transfer Louis's data to Zantrum because it has an obligation to develop commonly used, machine-readable and interoperable formats so that all customer data can be ported to other insurers on request.

Answer: B

NEW QUESTION 104

As a result of the European Court of Justice's ruling in the case of Google v. Spain, search engines outside the EEA are also likely to be subject to the Regulation's right to be forgotten. This holds true if the activities of an EU subsidiary and its U.S. parent are what?

- A. Supervised by the same Data Protection Officer.
- B. Consistent with Privacy Shield requirements
- C. Bound by a standard contractual clause.
- D. Inextricably linked in their businesses.

Answer: D

NEW QUESTION 107

What permissions are required for a marketer to send an email marketing message to a consumer in the EU?

- A. A prior opt-in consent for consumers unless they are already customers.
- B. A pre-checked box stating that the consumer agrees to receive email marketing.
- C. A notice that the consumer's email address will be used for marketing purposes.
- D. No prior permission required, but an opt-out requirement on all emails sent to consumers.

Answer: A

NEW QUESTION 108

SCENARIO

Please use the following to answer the next question:

Joe started the Gummy Bear Company in 2000 from his home in Vermont, USA. Today, it is a

multi-billion-dollar candy company operating in every continent. All of the company's IT servers are located in Vermont. This year Joe hires his son Ben to join the company and head up Project Big, which is a major marketing strategy to triple gross revenue in just 5 years. Ben graduated with a PhD in computer software from a top university. Ben decided to join his father's company, but is also secretly working on launching a new global online dating website company called Ben Knows Best.

Ben is aware that the Gummy Bear Company has millions of customers and believes that many of them might also be interested in finding their perfect match. For Project Big, Ben redesigns the company's online web portal and requires customers in the European Union and elsewhere to provide additional personal information in order to remain a customer. Project Ben begins collecting data about customers' philosophical beliefs, political opinions and marital status.

If a customer identifies as single, Ben then copies all of that customer's personal data onto a separate database for Ben Knows Best. Ben believes that he is not doing anything wrong, because he explicitly asks each customer to give their consent by requiring them to check a box before accepting their information. As Project Big is an important project, the company also hires a first year college student named Sam, who is studying computer science to help Ben out.

Ben calls out and Sam comes across the Ben Knows Best database. Sam is planning on going to Ireland over Spring Break with 10 of his friends, so he copies all of the customer information of people that reside in Ireland so that he and his friends can contact people when they are in Ireland.

Joe also hires his best friend's daughter, Alice, who just graduated from law school in the U.S., to be the company's new General Counsel. Alice has heard about the GDPR, so she does some research on it. Alice approaches Joe and informs him that she has drafted up Binding Corporate Rules for everyone in the company to follow, as it is important for the company to have in place a legal mechanism to transfer data internally from the company's operations in the European Union to the U.S.

Joe believes that Alice is doing a great job, and informs her that she will also be in-charge of handling a major lawsuit that has been brought against the company in federal court in the U.S. To prepare for the lawsuit, Alice instructs the company's IT department to make copies of the computer hard drives from the entire global sales team, including the European Union, and send everything to her so that she can review everyone's information. Alice believes that Joe will be happy that she did the first level review, as it will save the company a lot of money that would otherwise be paid to its outside law firm.

When Ben had the company collect additional data from its customers, the most serious violation of the GDPR occurred because the processing of the data created what?

- A. An information security risk by copying the data into a new database.
- B. A potential legal liability and financial exposure from its customers.
- C. A significant risk to the customers' fundamental rights and freedoms.
- D. A significant risk due to the lack of an informed consent mechanism.

Answer: C

NEW QUESTION 113

SCENARIO

Please use the following to answer the next question:

BHealthy, a company based in Italy, is ready to launch a new line of natural products, with a focus on sunscreen. The last step prior to product launch is for BHealthy to conduct research to decide how extensively to market its new line of sunscreens across Europe. To do so, BHealthy teamed up with Natural Insight, a company specializing in determining pricing for natural products. BHealthy decided to share its existing customer information – name, location, and prior purchase history – with Natural Insight. Natural Insight intends to use this information to train its algorithm to help determine the price point at which BHealthy can sell its new sunscreens.

Prior to sharing its customer list, BHealthy conducted a review of Natural Insight's security practices and concluded that the company has sufficient security measures to protect the contact information. Additionally, BHealthy's data processing contractual terms with Natural Insight require continued implementation of technical and organization measures. Also indicated in the contract are restrictions on use of the data provided by BHealthy for any purpose beyond provision of the services, which include use of the data for continued improvement of Natural Insight's machine learning algorithms.

Under the GDPR, what are Natural Insight's security obligations with respect to the customer information it received from BHealthy?

- A. Appropriate security that takes into account the industry practices for protecting customer contact information and purchase history.
- B. Only the security measures assessed by BHealthy prior to entering into the data processing contract.
- C. Absolute security since BHealthy is sharing personal data, including purchase history, with Natural Insight.
- D. The level of security that a reasonable data subject whose data is processed would expect in relation to the data subject's purchase history.

Answer: A

NEW QUESTION 116

A key component of the OECD Guidelines is the "Individual Participation Principle". What parts of the General Data Protection Regulation (GDPR) provide the closest equivalent to that principle?

- A. The lawful processing criteria stipulated by Articles 6 to 9
- B. The information requirements set out in Articles 13 and 14
- C. The breach notification requirements specified in Articles 33 and 34
- D. The rights granted to data subjects under Articles 12 to 22

Answer: D

NEW QUESTION 119

A company plans to transfer employee health information between two of its entities in France. To maintain the security of the processing, what would be the most important security measure to apply to the health data transmission?

- A. Inform the data subject of the security measures in place.
- B. Ensure that the receiving entity has signed a data processing agreement.
- C. Encrypt the transferred data in transit and at rest.
- D. Conduct a data protection impact assessment.

Answer: A

NEW QUESTION 123

SCENARIO

Please use the following to answer the next question:

BHealthy, a company based in Italy, is ready to launch a new line of natural products, with a focus on sunscreen. The last step prior to product launch is for BHealthy to conduct research to decide how extensively to market its new line of sunscreens across Europe. To do so, BHealthy teamed up with Natural Insight, a company specializing in determining pricing for natural products. BHealthy decided to share its existing customer information – name, location, and prior purchase

history – with Natural Insight. Natural Insight intends to use this information to train its algorithm to help determine the price point at which BHealthy can sell its new sunscreens.

Prior to sharing its customer list, BHealthy conducted a review of Natural Insight's security practices and concluded that the company has sufficient security measures to protect the contact information. Additionally, BHealthy's data processing contractual terms with Natural Insight require continued implementation of technical and organization measures. Also indicated in the contract are restrictions on use of the data provided by BHealthy for any purpose beyond provision of the services, which include use of the data for continued improvement of Natural Insight's machine learning algorithms.

In which case would Natural Insight's use of BHealthy's data for improvement of its algorithms be considered data processor activity?

- A. If Natural Insight uses BHealthy's data for improving price point predictions only for BHealthy.
- B. If Natural Insight receives express contractual instructions from BHealthy to use its data for improving its algorithms.
- C. If Natural Insight agrees to be fully liable for its use of BHealthy's customer information in its product improvement activities.
- D. If Natural Insight satisfies the transparency requirement by notifying BHealthy's customers of its plans to use their information for its product improvement activities.

Answer: A

NEW QUESTION 127

Which of the following would most likely NOT be covered by the definition of "personal data" under the GDPR?

- A. The payment card number of a Dutch citizen
- B. The U.
- C. social security number of an American citizen living in France
- D. The unlinked aggregated data used for statistical purposes by an Italian company
- E. The identification number of a German candidate for a professional examination in Germany

Answer: D

NEW QUESTION 132

Which of the following Convention 108+ principles, as amended in 2018, is NOT consistent with a principle found in the GDPR?

- A. The obligation of companies to declare data breaches.
- B. The requirement to demonstrate compliance to a supervisory authority.
- C. The necessity of the bulk collection of personal data by the government.

Answer: B

NEW QUESTION 134

SCENARIO

Please use the following to answer the next question:

Anna and Frank both work at Granchester University. Anna is a lawyer responsible for data protection, while Frank is a lecturer in the engineering department. The University maintains a number of types of records:

- Student records, including names, student numbers, home addresses, pre-university information, university attendance and performance records, details of special educational needs and financial information.
- Staff records, including autobiographical materials (such as curricula, professional contact files, student evaluations and other relevant teaching files).
- Alumni records, including birthplaces, years of birth, dates of matriculation and conferrals of degrees.

These records are available to former students after registering through Granchester's Alumni portal. Department for Education records, showing how certain demographic groups (such as first-generation students) could be expected, on average, to progress. These records do not contain names or identification numbers.

- Under their security policy, the University encrypts all of its personal data records in transit and at rest.

In order to improve his teaching, Frank wants to investigate how his engineering students perform in relational to Department for Education expectations. He has attended one of Anna's data protection training courses and knows that he should use no more personal data than necessary to accomplish his goal. He creates a program that will only export some student data: previous schools attended, grades originally obtained, grades currently obtained and first time university attended. He wants to keep the records at the individual student level. Mindful of Anna's training, Frank runs the student numbers through an algorithm to transform them into different reference numbers. He uses the same algorithm on each occasion so that he can update each record over time.

One of Anna's tasks is to complete the record of processing activities, as required by the GDPR. After receiving her email reminder, as required by the GDPR.

After receiving her email reminder, Frank informs

Anna about his performance database.

Ann explains to Frank that, as well as minimizing personal data, the University has to check that this new use of existing data is permissible. She also suspects that, under the GDPR, a risk analysis may have to be carried out before the data processing can take place. Anna arranges to discuss this further with Frank after she has done some additional research.

Frank wants to be able to work on his analysis in his spare time, so he transfers it to his home laptop (which is not encrypted). Unfortunately, when Frank takes the laptop into the University he loses it on the train. Frank has to see Anna that day to discuss compatible processing. He knows that he needs to report security incidents, so he decides to tell Anna about his lost laptop at the same time.

Which of the University's records does Anna NOT have to include in her record of processing activities?

- A. Student records
- B. Staff and alumni records
- C. Frank's performance database
- D. Department for Education records

Answer: C

NEW QUESTION 135

SCENARIO

Please use the following to answer the next question:

Joe is the new privacy manager for Who-R-U, a Canadian business that provides DNA analysis. The company is headquartered in Montreal, and all of its employees are located there. The company offers its services to Canadians only: Its website is in English and French, it accepts only Canadian currency, and it

blocks internet traffic from outside of Canada (although this solution doesn't prevent all non-Canadian traffic). It also declines to process orders that request the DNA report to be sent outside of Canada, and returns orders that show a non-Canadian return address.

Bob, the President of Who-R-U, thinks there is a lot of interest for the product in the EU, and the company is exploring a number of plans to expand its customer base.

The first plan, collegially called We-Track-U, will use an app to collect information about its current Canadian customer base. The expansion will allow its Canadian customers to use the app while traveling abroad. He suggests that the company use this app to gather location information. If the plan shows promise, Bob proposes to use push notifications and text messages to encourage existing customers to pre-register for an EU version of the service. Bob calls this work plan, We-Text-U. Once the company has gathered enough pre-registrations, it will develop EU-specific content and services.

Another plan is called Customer for Life. The idea is to offer additional services through the company's app, like storage and sharing of DNA information with other applications and medical providers. The company's contract says that it can keep customer DNA indefinitely, and use it to offer new services and market them to customers. It also says that customers agree not to withdraw direct marketing consent. Paul, the marketing director, suggests that the company should fully exploit these provisions, and that it can work around customers' attempts to withdraw consent because the contract invalidates them.

The final plan is to develop a brand presence in the EU. The company has already begun this process. It is in the process of purchasing the naming rights for a building in Germany, which would come with a few offices that Who-R-U executives can use while traveling internationally. The office doesn't include any technology or infrastructure; rather, it's simply a room with a desk and some chairs.

On a recent trip concerning the naming-rights deal, Bob's laptop is stolen. The laptop held unencrypted DNA reports on 5,000 Who-R-U customers, all of whom are residents of Canada. The reports include customer name, birthdate, ethnicity, racial background, names of relatives, gender, and occasionally health information.

The Customer for Life plan may conflict with which GDPR provision?

- A. Article 6, which requires processing to be lawful.
- B. Article 7, which requires consent to be as easy to withdraw as it is to give.
- C. Article 16, which provides data subjects with a rights to rectification.
- D. Article 20, which gives data subjects a right to data portability.

Answer: B

NEW QUESTION 137

SCENARIO

Please use the following to answer the next question:

ABC Hotel Chain and XYZ Travel Agency are U.S.-based multinational companies. They use an internet-based common platform for collecting and sharing their customer data with each other, in order to integrate their marketing efforts. Additionally, they agree on the data to be stored, how reservations will be booked and confirmed, and who has access to the stored data.

Mike, an EU resident, has booked travel itineraries in the past through XYZ Travel Agency to stay at ABC Hotel Chain's locations. XYZ Travel Agency offers a rewards program that allows customers to sign up to accumulate points that can later be redeemed for free travel. Mike has signed the agreement to be a rewards program member.

Now Mike wants to know what personal information the company holds about him. He sends an email requesting access to his data, in order to exercise what he believes are his data subject rights.

What is the time period in which Mike should receive a response to his request?

- A. Not more than one month of receipt of Mike's request.
- B. Not more than two months after verifying Mike's identity.
- C. When all the information about Mike has been collected.
- D. Not more than thirty days after submission of Mike's request.

Answer: D

NEW QUESTION 142

Under Article 9 of the GDPR, which of the following categories of data is NOT expressly prohibited from data processing?

- A. Personal data revealing ethnic origin.
- B. Personal data revealing genetic data.
- C. Personal data revealing financial data.
- D. Personal data revealing trade union membership.

Answer: C

NEW QUESTION 147

Which sentence BEST summarizes the concepts of "fairness," "lawfulness" and "transparency", as expressly required by Article 5 of the GDPR?

- A. Fairness and transparency refer to the communication of key information before collecting data; lawfulness refers to compliance with government regulations.
- B. Fairness refers to limiting the amount of data collected from individuals; lawfulness refers to the approval of company guidelines by the state; transparency solely relates to communication of key information before collecting data.
- C. Fairness refers to the security of personal data; lawfulness and transparency refers to the analysis of ordinances to ensure they are uniformly enforced.
- D. Fairness refers to the collection of data from diverse subjects; lawfulness refers to the need for legal rules to be uniform; transparency refers to giving individuals access to their data.

Answer: A

NEW QUESTION 149

Which of the following would NOT be relevant when determining if a processing activity would be considered profiling?

- A. If the processing is to be performed by a third-party vendor
- B. If the processing involves data that is considered personal data
- C. If the processing of the data is done through automated means
- D. If the processing is used to predict the behavior of data subjects

Answer: D

NEW QUESTION 152

Which of the following demonstrates compliance with the accountability principle found in Article 5, Section 2 of the GDPR?

- A. Anonymizing special categories of data.
- B. Conducting regular audits of the data protection program.
- C. Getting consent from the data subject for a cross border data transfer.
- D. Encrypting data in transit and at rest using strong encryption algorithms.

Answer: B

NEW QUESTION 157

What is the key difference between the European Council and the Council of the European Union?

- A. The Council of the European Union is helmed by a president.
- B. The Council of the European Union has a degree of legislative power.
- C. The European Council focuses primarily on issues involving human rights.
- D. The European Council is comprised of the heads of each EU member state.

Answer: D

NEW QUESTION 161

A company is located in a country NOT considered by the European Union (EU) to have an adequate level of data protection. Which of the following is an obligation of the company if it imports personal data from another organization in the European Economic Area (EEA) under standard contractual clauses?

- A. Submit the contract to its own government authority.
- B. Ensure that notice is given to and consent is obtained from data subjects.
- C. Supply any information requested by a data protection authority (DPA) within 30 days.
- D. Ensure that local laws do not impede the company from meeting its contractual obligations.

Answer: A

NEW QUESTION 162

Based on GDPR Article 35, which of the following situations would trigger the need to complete a DPIA?

- A. A company wants to combine location data with other data in order to offer more personalized service for the customer.
- B. A company wants to use location data to infer information on a person's clothes purchasing habits.
- C. A company wants to build a dating app that creates candidate profiles based on location data and data from third-party sources.
- D. A company wants to use location data to track delivery trucks in order to make the routes more efficient.

Answer: C

NEW QUESTION 164

SCENARIO

Please use the following to answer the next question:

TripBliss Inc. is a travel service company which has lost substantial revenue over the last few years. Their new manager, Oliver, suspects that this is partly due to the company's outdated website. After doing some research, he meets with a sales representative from the up-and-coming IT company Techiva, hoping that they can design a new, cutting-edge website for TripBliss Inc.'s foundering business.

During negotiations, a Techiva representative describes a plan for gathering more customer information through detailed Questionnaires, which could be used to tailor their preferences to specific travel destinations. TripBliss Inc. can choose any number of data categories – age, income, ethnicity – that would help them best accomplish their goals. Oliver loves this idea, but would also like to have some way of gauging how successful this approach is, especially since the Questionnaires will require customers to provide explicit consent to having their data collected. The Techiva representative suggests that they also run a program to analyze the new website's traffic, in order to get a better understanding of how customers are using it. He explains his plan to place a number of cookies on customer devices. The cookies will allow the company to collect IP addresses and other information, such as the sites from which the customers came, how much time they spend on the TripBliss Inc. website, and which pages on the site they visit. All of this information will be compiled in log files, which Techiva will analyze by means of a special program. TripBliss Inc. would receive aggregate statistics to help them evaluate the website's effectiveness. Oliver enthusiastically engages Techiva for these services.

Techiva assigns the analytics portion of the project to longtime account manager Leon Santos. As is standard practice, Leon is given administrator rights to TripBliss Inc.'s website, and can authorize access to the log files gathered from it. Unfortunately for TripBliss Inc., however, Leon is taking on this new project at a time when his dissatisfaction with Techiva is at a high point. In order to take revenge for what he feels has been unfair treatment at the hands of the company, Leon asks his friend Fred, a hobby hacker, for help. Together they come up with the following plan: Fred will hack into Techiva's system and copy their log files onto a USB stick. Despite his initial intention to send the USB to the press and to the data protection authority in order to denounce Techiva, Leon experiences a crisis of conscience and ends up reconsidering his plan. He decides instead to securely wipe all the data from the USB stick and inform his manager that the company's system of access control must be reconsidered.

After Leon has informed his manager, what is Techiva's legal responsibility as a processor?

- A. They must report it to TripBliss Inc.
- B. They must conduct a full systems audit.
- C. They must report it to the supervisory authority.
- D. They must inform customers who have used the website.

Answer: B

NEW QUESTION 168

There are three domains of security covered by Article 32 of the GDPR that apply to both the controller and the processor. These include all of the following EXCEPT?

- A. Consent management and withdrawal.
- B. Incident detection and response.

- C. Preventative security.
- D. Remedial security.

Answer: A

NEW QUESTION 173

SCENARIO

Please use the following to answer the next question:

Joe started the Gummy Bear Company in 2000 from his home in Vermont, USA. Today, it is a multi-billion-dollar candy company operating in every continent. All of the company's IT servers are located in Vermont. This year Joe hires his son Ben to join the company and head up Project Big, which is a major marketing strategy to triple gross revenue in just 5 years. Ben graduated with a PhD in computer software from a top university. Ben decided to join his father's company, but is also secretly working on launching a new global online dating website company called Ben Knows Best.

Ben is aware that the Gummy Bear Company has millions of customers and believes that many of them might also be interested in finding their perfect match. For Project Big, Ben redesigns the company's online web portal and requires customers in the European Union and elsewhere to provide additional personal information in order to remain a customer. Project Ben begins collecting data about customers' philosophical beliefs, political opinions and marital status.

If a customer identifies as single, Ben then copies all of that customer's personal data onto a separate database for Ben Knows Best. Ben believes that he is not doing anything wrong, because he explicitly asks each customer to give their consent by requiring them to check a box before accepting their information. As Project Big is an important project, the company also hires a first year college student named Sam, who is studying computer science to help Ben out.

Ben calls out and Sam comes across the Ben Knows Best database. Sam is planning on going to Ireland over Spring Break with 10 of his friends, so he copies all of the customer information of people that reside in Ireland so that he and his friends can contact people when they are in Ireland.

Joe also hires his best friend's daughter, Alice, who just graduated from law school in the U.S., to be the company's new General Counsel. Alice has heard about the GDPR, so she does some research on it. Alice approaches Joe and informs him that she has drafted up Binding Corporate Rules for everyone in the company to follow, as it is important for the company to have in place a legal mechanism to transfer data internally from the company's operations in the European Union to the U.S.

Joe believes that Alice is doing a great job, and informs her that she will also be in-charge of handling a major lawsuit that has been brought against the company in federal court in the U.S. To prepare for the lawsuit, Alice instructs the company's IT department to make copies of the computer hard drives from the entire global sales team, including the European Union, and send everything to her so that she can review everyone's information. Alice believes that Joe will be happy that she did the first level review, as it will save the company a lot of money that would otherwise be paid to its outside law firm.

Ben's collection of additional data from customers created several potential issues for the company, which would most likely require what?

- A. New corporate governance and code of conduct.
- B. A data protection impact assessment.
- C. A comprehensive data inventory.
- D. Hiring a data protection officer.

Answer: A

NEW QUESTION 178

In addition to the European Commission, who can adopt standard contractual clauses, assuming that all required conditions are met?

- A. Approved data controllers.
- B. The Council of the European Union.
- C. National data protection authorities.
- D. The European Data Protection Supervisor.

Answer: A

NEW QUESTION 179

SCENARIO

Please use the following to answer the next question:

Brady is a computer programmer based in New Zealand who has been running his own business for two years. Brady's business provides a low-cost suite of services to customers throughout the European Economic Area (EEA). The services are targeted towards new and aspiring small business owners. Brady's company, called Brady Box, provides web page design services, a Social Networking Service (SNS) and consulting services that help people manage their own online stores.

Unfortunately, Brady has been receiving some complaints. A customer named Anna recently uploaded her plans for a new product onto Brady Box's chat area, which is open to public viewing. Although she realized her mistake two weeks later and removed the document, Anna is holding Brady Box responsible for not noticing the error through regular monitoring of the website. Brady believes he should not be held liable.

Another customer, Felipe, was alarmed to discover that his personal information was transferred to a third-party contractor called Hermes Designs and worries that sensitive information regarding his business plans may be misused. Brady does not believe he violated European privacy rules. He provides a privacy notice to all of his customers explicitly stating that personal data may be transferred to specific third parties in fulfillment of a requested service. Felipe says he read the privacy notice but that it was long and complicated.

Brady continues to insist that Felipe has no need to be concerned, as he can personally vouch for the integrity of Hermes Designs. In fact, Hermes Designs has taken the initiative to create sample customized banner advertisements for customers like Felipe. Brady is happy to provide a link to the example banner ads, now posted on the Hermes Designs webpage. Hermes Designs plans on following up with direct marketing to these customers.

Brady was surprised when another customer, Serge, expressed his dismay that a quotation by him is being used within a graphic collage on Brady Box's home webpage. The quotation is attributed to Serge by first and last name. Brady, however, was not worried about any sort of litigation. He wrote back to Serge to let him know that he found the quotation within Brady Box's Social Networking Service (SNS), as Serge himself had posted the quotation. In his response, Brady did offer to remove the quotation as a courtesy.

Despite some customer complaints, Brady's business is flourishing. He even supplements his income through online behavioral advertising (OBA) via a third-party ad network with whom he has set clearly defined roles. Brady is pleased that, although some customers are not explicitly aware of the OBA, the advertisements contain useful products and services.

Based on the scenario, what is the main reason that Brady should be concerned with Hermes Designs' handling of customer personal data?

- A. The data is sensitive.
- B. The data is uncategorized.
- C. The data is being used for a new purpose.
- D. The data is being processed via a new means.

Answer: D

NEW QUESTION 180

If a company is planning to use closed-circuit television (CCTV) on its premises and is concerned with GDPR compliance, it should first do all of the following EXCEPT?

- A. Notify the appropriate data protection authority.
- B. Perform a data protection impact assessment (DPIA).
- C. Create an information retention policy for those who operate the system.
- D. Ensure that safeguards are in place to prevent unauthorized access to the footage.

Answer: C

NEW QUESTION 184

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