



IAPP

Exam Questions CIPP-E

Certified Information Privacy Professional/Europe (CIPP/E)

NEW QUESTION 1

If a French controller has a car-sharing app available only in Morocco, Algeria and Tunisia, but the data processing activities are carried out by the appointed processor in Spain, the GDPR will apply to the processing of the personal data so long as?

- A. The individuals are European citizens or residents.
- B. The data processing activities are in Spain.
- C. The data controller is in France.
- D. The EU individuals are targeted.

Answer: D

NEW QUESTION 2

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 3

According to Article 84 of the GDPR, the rules on penalties applicable to infringements shall be laid down by?

- A. The local Data Protection Supervisory Authorities.
- B. The European Data Protection Board.
- C. The EU Commission.
- D. The Member States.

Answer: D

NEW QUESTION 4

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 5

An online company's privacy practices vary due to the fact that it offers a wide variety of services. How could it best address the concern that explaining them all would make the policies incomprehensible?

- A. Use a layered privacy notice on its website and in its email communications.
- B. Identify uses of data in a privacy notice mailed to the data subject.
- C. Provide only general information about its processing activities and offer a toll-free number for more information.
- D. Place a banner on its website stipulating that visitors agree to its privacy policy and terms of use by visiting the site.

Answer: B

NEW QUESTION 6

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 7

When does the GDPR provide more latitude for a company to process data beyond its original collection purpose?

- A. When the data has been pseudonymized.
- B. When the data is protected by technological safeguards.
- C. When the data serves legitimate interest of third parties.
- D. When the data subject has failed to use a provided opt-out mechanism.

Answer: C

NEW QUESTION 8

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 9

What is one major goal that the OECD Guidelines, Convention 108 and the Data Protection Directive (Directive 95/46/EC) all had in common but largely failed to achieve in Europe?

- A. The establishment of a list of legitimate data processing criteria
- B. The creation of legally binding data protection principles
- C. The synchronization of approaches to data protection
- D. The restriction of cross-border data flow

Answer: D

NEW QUESTION 10

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 10

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 11

A company is hesitating between Binding Corporate Rules and Standard Contractual Clauses as a global data transfer solution. Which of the following statements would help the company make an effective decision?

- A. Binding Corporate Rules are especially recommended for small and medium companies.
- B. The data exporter does not need to be located in the EU for the standard Contractual Clauses.
- C. Binding Corporate Rules provide a global solution for all the entities of a company that are bound by the intra-group agreement.
- D. The company will need the prior authorization of all EU data protection authorities for concluding Standard Contractual Clauses.

Answer: C

NEW QUESTION 13

A well-known video production company, based in Spain but specializing in documentaries filmed worldwide, has just finished recording several hours of footage featuring senior citizens in the streets of Madrid. Under what condition would the company NOT be required to obtain the consent of everyone whose image they use for their documentary?

- A. If obtaining consent is deemed to involve disproportionate effort.
- B. If obtaining consent is deemed voluntary by local legislation.
- C. If the company limits the footage to data subjects solely of legal age.

D. If the company's status as a documentary provider allows it to claim legitimate interest.

Answer: B

NEW QUESTION 17

Article 9 of the GDPR lists exceptions to the general prohibition against processing biometric data. Which of the following is NOT one of these exceptions?

- A. The processing is done by a non-profit organization and the results are disclosed outside the organization.
- B. The processing is necessary to protect the vital interests of the data subject when he or she is incapable of giving consent.
- C. The processing is necessary for the establishment, exercise or defense of legal claims when courts are acting in a judicial capacity.
- D. The processing is explicitly consented to by the data subject and he or she is allowed by Union or Member State law to lift the prohibition.

Answer: A

NEW QUESTION 21

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 26

Read the following steps:

- Discover which employees are accessing cloud services and from which devices and apps Lock down the data in those apps and devices
- Monitor and analyze the apps and devices for compliance
- Manage application life cycles
- Monitor data sharing

An organization should perform these steps to do which of the following?

- A. Pursue a GDPR-compliant Privacy by Design process.
- B. Institute a GDPR-compliant employee monitoring process.
- C. Maintain a secure Bring Your Own Device (BYOD) program.
- D. Ensure cloud vendors are complying with internal data use policies.

Answer: C

NEW QUESTION 30

Why is advisable to avoid consent as a legal basis for an employer to process employee data?

- A. Employee data can only be processed if there is an approval from the data protection officer.
- B. Consent may not be valid if the employee feels compelled to provide it.
- C. An employer might have difficulty obtaining consent from every employee.
- D. Data protection laws do not apply to processing of employee data.

Answer: A

NEW QUESTION 31

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.

What is the nature of BHealthy and Natural Insight's relationship?

- A. Natural Insight is BHealthy's processor because the companies entered into data processing terms.
- B. Natural Insight is BHealthy's processor because BHealthy is sharing its customer information with Natural Insight.
- C. Natural Insight is the controller because it determines the security measures to implement to protect data it processes; BHealthy is a co-controller because it engaged Natural Insight to determine pricing for the new sunscreens.
- D. Natural Insight is a controller because it is separately determine the purpose of processing when it uses BHealthy's customer information to improve its machine learning algorithms.

Answer: A

NEW QUESTION 34

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 39

Which of the following is NOT considered a fair processing practice in relation to the transparency principle?

- A. Providing a multi-layered privacy notice, in a website environment.
- B. Providing a QR code linking to more detailed privacy notice, in a CCTV sign.
- C. Providing a hyperlink to the organization's home page, in a hard copy application form.
- D. Providing a "just-in-time" contextual pop-up privacy notice, in an online application from field.

Answer: A

NEW QUESTION 44

As per the GDPR, which legal basis would be the most appropriate for an online shop that wishes to process personal data for the purpose of fraud prevention?

- A. Protection of the interests of the data subjects.
- B. Performance of a contract
- C. Legitimate interest
- D. Consent

Answer: D

NEW QUESTION 48

In which of the following cases would an organization MOST LIKELY be required to follow both ePrivacy and data protection rules?

- A. When creating an untargeted pop-up ad on a website.
- B. When calling a potential customer to notify her of an upcoming product sale.
- C. When emailing a customer to announce that his recent order should arrive earlier than expected.
- D. When paying a search engine company to give prominence to certain products and services within specific search results.

Answer: A

NEW QUESTION 52

Which of the following was the first legally binding international instrument in the area of data protection?

- A. Convention 108.
- B. General Data Protection Regulation.
- C. Universal Declaration of Human Rights.
- D. EU Directive on Privacy and Electronic Communications.

Answer: A

NEW QUESTION 57

SCENARIO

Please use the following to answer the next question:

You have just been hired by a toy manufacturer based in Hong Kong. The company sells a broad range of dolls, action figures and plush toys that can be found internationally in a wide variety of retail stores. Although the manufacturer has no offices outside Hong Kong and in fact does not employ any staff outside Hong Kong, it has entered into a number of local distribution contracts. The toys produced by the company can be found in all popular toy stores throughout Europe, the United States and Asia. A large portion of the company's revenue is due to international sales.

The company now wishes to launch a new range of connected toys, ones that can talk and interact with children. The CEO of the company is touting these toys as the next big thing, due to the increased possibilities offered: The figures can answer children's Questions: on various subjects, such as mathematical calculations or the weather. Each figure is equipped with a microphone and speaker and can connect to any smartphone or tablet via Bluetooth. Any mobile device within a 10-meter radius can connect to the toys via Bluetooth as well. The figures can also be associated with other figures (from the same manufacturer) and interact with each other for an enhanced play experience.

When a child asks the toy a QUESTION, the request is sent to the cloud for analysis, and the answer is generated on cloud servers and sent back to the figure.

The answer is given through the figure's integrated

speakers, making it appear as though that the toy is actually responding to the child's QUESTION. The packaging of the toy does not provide technical details on how this works, nor does it mention that this feature requires an internet connection. The necessary data processing for this has been outsourced to a data center located in South Africa. However, your company has not yet revised its consumer-facing privacy policy to indicate this.

In parallel, the company is planning to introduce a new range of game systems through which consumers can play the characters they acquire in the course of playing the game. The system will come bundled with a portal that includes a Near-Field Communications (NFC) reader. This device will read an RFID tag in the action figure, making the figure come to life onscreen. Each character has its own stock features and abilities, but it is also possible to earn additional ones by accomplishing game goals. The only information stored in the tag relates to the figures' abilities. It is easy to switch characters during the game, and it is possible to bring the figure to locations outside of the home and have the character's abilities remain intact.

In light of the requirements of Article 32 of the GDPR (related to the Security of Processing), which practice should the company institute?

- A. Encrypt the data in transit over the wireless Bluetooth connection.
- B. Include dual-factor authentication before each use by a child in order to ensure a minimum amount of security.
- C. Include three-factor authentication before each use by a child in order to ensure the best level of security possible.
- D. Insert contractual clauses into the contract between the toy manufacturer and the cloud service provider, since South Africa is outside the European Union.

Answer: A

NEW QUESTION 62

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 67

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 72

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 73

An entity's website stores text files on EU users' computer and mobile device browsers. Prior to doing so, the entity is required to provide users with notices containing information and consent under which of the following frameworks?

- A. General Data Protection Regulation 2016/679.
- B. E-Privacy Directive 2002/58/EC.
- C. E-Commerce Directive 2000/31/EC.
- D. Data Protection Directive 95/46/EC.

Answer: D

NEW QUESTION 74

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 79

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 82

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 87

SCENARIO

Please use the following to answer the next question:

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speakers, making it appear as though that the toy is actually responding to the child's question. The packaging of the toy does not provide technical details on how this works, nor does it mention that this feature requires an internet connection. The necessary data processing for this has been outsourced to a data center located in South Africa. However, your company has not yet revised its consumer-facing privacy policy to indicate this.

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Why is this company obligated to comply with the GDPR?

- A. The company has offices in the EU.
- B. The company employs staff in the EU.
- C. The company's data center is located in a country outside the EU.
- D. The company's products are marketed directly to EU customers.

Answer: D

NEW QUESTION 90

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 95

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.

Under the General Data Protection Regulation (GDPR), what is the most likely reason Serge may have grounds to object to the use of his quotation?

- A. Because of the misrepresentation of personal data as an endorsement.
- B. Because of the juxtaposition of the quotation with others' quotations.
- C. Because of the use of personal data outside of the social networking service (SNS).
- D. Because of the misapplication of the household exception in relation to a social networking service (SNS).

Answer: D

NEW QUESTION 99

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 100

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.

In which of the following situations would ABC Hotel Chain and XYZ Travel Agency NOT have to honor Mike's data access request?

- A. The request is to obtain access and correct inaccurate personal data in his profile.
- B. The request is to obtain access and information about the purpose of processing his personal data.
- C. The request is to obtain access and erasure of his personal data while keeping his rewards membership.
- D. The request is to obtain access and the categories of recipients who have received his personal data to process his rewards membership.

Answer: C

NEW QUESTION 103

What should a controller do after a data subject opts out of a direct marketing activity?

- A. Without exception, securely delete all personal data relating to the data subject.
- B. Without undue delay, provide information to the data subject on the action that will be taken.
- C. Refrain from processing personal data relating to the data subject for the relevant type of communication.
- D. Take reasonable steps to inform third-party recipients that the data subject's personal data should be deleted and no longer processed.

Answer: C

NEW QUESTION 108

Which of the following would require designating a data protection officer?

- A. Processing is carried out by an organization employing 250 persons or more.
- B. Processing is carried out for the purpose of providing for-profit goods or services to individuals in the EU.
- C. The core activities of the controller or processor consist of processing operations of financial information or information relating to children.
- D. The core activities of the controller or processor consist of processing operations that require systematic monitoring of data subjects on a large scale.

Answer: D

NEW QUESTION 109

In 2016's Guidance, the United Kingdom's Information Commissioner's Office (ICO) reaffirmed the importance of using a "layered notice" to provide data subjects with what?

- A. A privacy notice containing brief information whilst offering access to further detail.
- B. A privacy notice explaining the consequences for opting out of the use of cookies on a website.
- C. An explanation of the security measures used when personal data is transferred to a third party.
- D. An efficient means of providing written consent in member states where they are required to do so.

Answer: A

NEW QUESTION 110

An organisation receives a request multiple times from a data subject seeking to exercise his rights with respect to his own personal data. Under what condition can the organisation charge the data subject for processing the request?

- A. Only where the organisation can show that it is reasonable to do so because more than one request was made.
- B. Only to the extent this is allowed under the restrictions on data subjects' rights introduced under Art 23 of GDPR.
- C. Only where the administrative costs of taking the action requested exceeds a certain threshold.
- D. Only if the organisation can demonstrate that the request is clearly excessive or misguided.

Answer: D

NEW QUESTION 113

Which GDPR principle would a Spanish employer most likely depend upon to annually send the personal data of its employees to the national tax authority?

- A. The consent of the employees.
- B. The legal obligation of the employer.
- C. The legitimate interest of the public administration.
- D. The protection of the vital interest of the employees.

Answer: B

NEW QUESTION 116

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 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.

What is the best option for the lead regulator when responding to the Spanish supervisory authority's notice that it plans to take action regarding Sofia's complaint?

- A. Accept, because it did not receive any complaints.

- B. Accept, because GDPR permits non-lead authorities to take action for such complaints.
- C. Reject, because Right Target's processing was conducted throughout Europe.
- D. Reject, because GDPR does not allow other supervisory authorities to take action if there is a lead authority.

Answer: D

NEW QUESTION 118

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 121

An organization receives a request multiple times from a data subject seeking to exercise his rights with respect to his own personal data. Under what condition can the organization charge the data subject a fee for processing the request?

- A. Only where the organization can show that it is reasonable to do so because more than one request was made.
- B. Only to the extent this is allowed under the restrictions on data subjects' rights introduced under Art 23 of GDPR.
- C. Only where the administrative costs of taking the action requested exceeds a certain threshold.
- D. Only if the organization can demonstrate that the request is clearly excessive or misguided.

Answer: B

NEW QUESTION 126

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 130

SCENARIO

Please use the following to answer the next question:

Zandelay Fashion ('Zandelay') is a successful international online clothing retailer that employs approximately 650 people at its headquarters based in Dublin, Ireland. Martin is their recently appointed data protection officer, who oversees the company's compliance with the General Data Protection Regulation (GDPR) and other privacy legislation.

The company offers both male and female clothing lines across all age demographics, including children. In doing so, the company processes large amounts of information about such customers, including preferences and sensitive financial information such as credit card and bank account numbers.

In an aggressive bid to build revenue growth, Jerry, the CEO, tells Martin that the company is launching a new mobile app and loyalty scheme that puts significant emphasis on profiling the company's customers by analyzing their purchases. Martin tells the CEO that: (a) the potential risks of such activities means that Zandelay needs to carry out a data protection impact assessment to assess this new venture and its privacy implications; and (b) where the results of this assessment indicate a high risk in the absence of appropriate protection measures, Zandelay may have to undertake a prior consultation with the Irish Data Protection Commissioner before implementing the app and loyalty scheme.

Jerry tells Martin that he is not happy about the prospect of having to directly engage with a supervisory authority and having to disclose details of Zandelay's business plan and associated processing activities.

What would MOST effectively assist Zandelay in conducting their data protection impact assessment?

- A. Information about DPIAs found in Articles 38 through 40 of the GDPR.

- B. Data breach documentation that data controllers are required to maintain.
- C. Existing DPIA guides published by local supervisory authorities.
- D. Records of processing activities that data controllers are required to maintain.

Answer: A

NEW QUESTION 135

Which GDPR requirement will present the most significant challenges for organizations with Bring Your Own Device (BYOD) programs?

- A. Data subjects must be sufficiently informed of the purposes for which their personal data is processed.
- B. Processing of special categories of personal data on a large scale requires appointing a DPO.
- C. Personal data of data subjects must always be accurate and kept up to date.
- D. Data controllers must be in control of the data they hold at all times.

Answer: D

NEW QUESTION 138

Which of the following is NOT recognized as being a common characteristic of cloud-computing services?

- A. The service's infrastructure is shared among the supplier's customers and can be located in a number of countries.
- B. The supplier determines the location, security measures, and service standards applicable to the processing.
- C. The supplier allows customer data to be transferred around the infrastructure according to capacity.
- D. The supplier assumes the vendor's business risk associated with data processed by the supplier.

Answer: D

NEW QUESTION 140

When assessing the level of risk created by a data breach, which of the following would NOT have to be taken into consideration?

- A. The ease of identification of individuals.
- B. The size of any data processor involved.
- C. The special characteristics of the data controller.
- D. The nature, sensitivity and volume of personal data.

Answer: B

NEW QUESTION 145

The GDPR forbids the practice of "forum shopping", which occurs when companies do what?

- A. Choose the data protection officer that is most sympathetic to their business concerns.
- B. Designate their main establishment in member state with the most flexible practices.
- C. File appeals of infringement judgments with more than one EU institution simultaneously.
- D. Select third-party processors on the basis of cost rather than quality of privacy protection.

Answer: B

NEW QUESTION 147

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 152

What was the aim of the European Data Protection Directive 95/46/EC?

- A. To harmonize the implementation of the European Convention of Human Rights across all member states.
- B. To implement the OECD Guidelines on the Protection of Privacy and trans-border flows of Personal Data.
- C. To completely prevent the transfer of personal data out of the European Union.
- D. To further reconcile the protection of the fundamental rights of individuals with the free flow of data from one member state to another.

Answer: B

NEW QUESTION 153

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 158

For which of the following operations would an employer most likely be justified in requesting the data subject's consent?

- A. Posting an employee's bicycle race photo on the company's social media.
- B. Processing an employee's health certificate in order to provide sick leave.
- C. Operating a CCTV system on company premises.
- D. Assessing a potential employee's job application.

Answer: A

NEW QUESTION 162

What is true if an employee makes an access request to his employer for any personal data held about him?

- A. The employer can automatically decline the request if it contains personal data about a third person.
- B. The employer can decline the request if the information is only held electronically.
- C. The employer must supply all the information held about the employee.
- D. The employer must supply any information held about an employee unless an exemption applies.

Answer: D

NEW QUESTION 165

How is the retention of communications traffic data for law enforcement purposes addressed by European data protection law?

- A. The ePrivacy Directive allows individual EU member states to engage in such data retention.
- B. The ePrivacy Directive harmonizes EU member states' rules concerning such data retention.
- C. The Data Retention Directive's annulment makes such data retention now permissible.
- D. The GDPR allows the retention of such data for the prevention, investigation, detection or prosecution of criminal offences only.

Answer: D

NEW QUESTION 168

A Spanish electricity customer calls her local supplier with Questions: about the company's upcoming merger. Specifically, the customer wants to know the recipients to whom her personal data will be disclosed once the merger is final. According to Article 13 of the GDPR, what must the company do before providing the customer with the requested information?

- A. Verify that the request is applicable to the data collected before the GDPR entered into force.
- B. Verify that the purpose of the request from the customer is in line with the GDPR.
- C. Verify that the personal data has not already been sent to the customer.
- D. Verify that the identity of the customer can be proven by other means.

Answer: A

NEW QUESTION 170

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 175

Which of the following is one of the supervisory authority's investigative powers?

- A. To notify the controller or the processor of an alleged infringement of the GDPR.
- B. To require that controllers or processors adopt approved data protection certification mechanisms.
- C. To determine whether a controller or processor has the right to a judicial remedy concerning a compensation decision made against them.
- D. To require data controllers to provide them with written notification of all new processing activities.

Answer: A

NEW QUESTION 178

A grade school is planning to use facial recognition to track student attendance. Which of the following may provide a lawful basis for this processing?

- A. The school places a notice near each camera.
- B. The school gets explicit consent from the students.
- C. Processing is necessary for the legitimate interests pursued by the school.
- D. A state law requires facial recognition to verify attendance.

Answer: A

NEW QUESTION 181

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 184

The GDPR specifies fines that may be levied against data controllers for certain infringements. Which of the following infringements would be subject to the less severe administrative fine of up to 10 million euros (or in the case of an undertaking, up to 2% of the total worldwide annual turnover of the preceding financial year)?

- A. Failure to demonstrate that consent was given by the data subject to the processing of their personal data where it is used as the basis for processing.
- B. Failure to implement technical and organizational measures to ensure data protection is enshrined by design and default.
- C. Failure to process personal information in a manner compatible with its original purpose.
- D. Failure to provide the means for a data subject to rectify inaccuracies in personal data.

Answer: D

NEW QUESTION 187

When is data sharing agreement MOST likely to be needed?

- A. When anonymized data is being shared.
- B. When personal data is being shared between commercial organizations acting as joint data controllers.
- C. When personal data is being proactively shared by a controller to support a police investigation.

D. When personal data is being shared with a public authority with powers to require the personal data to be disclosed.

Answer: B

NEW QUESTION 191

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.

In addition to notifying employees about the purpose of the monitoring, the potential uses of their data and their privacy rights, what information should Building Block have provided them before implementing the security measures?

- A. Information about what is specified in the employment contract.
- B. Information about who employees should contact with any queries.
- C. Information about how providing consent could affect them as employees.
- D. Information about how the measures are in the best interests of the company.

Answer: A

NEW QUESTION 194

According to the E-Commerce Directive 2000/31/EC, where is the place of "establishment" for a company providing services via an Internet website confirmed by the GDPR?

- A. Where the technology supporting the website is located
- B. Where the website is accessed
- C. Where the decisions about processing are made
- D. Where the customer's Internet service provider is located

Answer: D

NEW QUESTION 198

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 203

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 205

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 209

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 212

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 213

According to the GDPR, when should the processing of photographs be considered processing of special categories of personal data?

- A. When processed with the intent to publish information regarding a natural person on publicly accessible media.
- B. When processed with the intent to proceed to scientific or historical research projects.
- C. When processed with the intent to uniquely identify or authenticate a natural person.
- D. When processed with the intent to comply with a law.

Answer: C

NEW QUESTION 214

Tanya is the Data Protection Officer for Curtains Inc., a GDPR data controller. She has recommended that the company encrypt all personal data at rest. Which GDPR principle is she following?

- A. Accuracy
- B. Storage Limitation
- C. Integrity and confidentiality
- D. Lawfulness, fairness and transparency

Answer: C

NEW QUESTION 217

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 219

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 224

An organization conducts body temperature checks as a part of COVID-19 monitoring. Body temperature is measured manually and is not followed by registration, documentation or other processing of an individual's personal data.

Which of the following best explain why this practice would NOT be subject to the GDPR?

- A. Body temperature is not considered personal data.
- B. The practice does not involve completion by automated means.
- C. Body temperature is considered pseudonymous data.
- D. The practice is for the purpose of alleviating extreme risks to public health.

Answer: B

NEW QUESTION 226

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