**Key Features:**

* **Stateful:** Automatically allows return traffic for allowed inbound requests.
* **Rule-Based:** Traffic is controlled using IP ranges (CIDR) or security group IDs.
* **Instance-Level:** Rules apply directly to individual instances, not entire subnets.
* **Default Deny:** All traffic is blocked by default unless explicitly allowed.

**Types of Rules:**

* **Inbound Rules:** Govern incoming traffic (e.g., SSH on port 22).
* **Outbound Rules:** Govern outgoing traffic (e.g., full internet access).