QCommission

Pay People Properly

CellarStone's QCommission is NOW **SOC 1**® and **SOC 2**® compliant.

CellarStone is continuously investing time and resources to meet our customers', partners', and prospects' stringent requirements for internal control over financial reporting (SOC 1) and data protection across AICPA recommended industry standards (SOC 2).

Recently, independent auditors conducted an unbiased audit of QCommission's internal controls in terms of the suitability of the design and overall operating effectiveness. This was done so that CellarStone may provide reasonable assurance that our commitments and requirements are achieved based on SOC's Trust Services Criteria relevant to Security, Processing Integrity, and Confidentiality. CellarStone also wanted to be able to provide assurance that its internal control over financial reporting is designed and operating effectively as per standards.

CellarStone's QCommission is attested with **SOC 1 TYPE 2** and **SOC 2 TYPE 2** compliance.

Why SOC?

SOC (System and organization controls) is a compliance standard defined by **AICPA** (**American Institute of certified public accountants**). They are internal control reports on the services offered by CellarStone and provides valuable information to our customers about the risks associated with the services.
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SOC 1 primarily validates internal controls over completeness and accuracy of transactions and financial statements.

SOC 2 is designed to certify the security, processing integrity, confidentiality, availability and/or privacy of hosted systems and the data we store and process.

These reports can give an oversight of the organization, internal corporate governance, vendor management, risk management process and procedures.

Sometimes our customers don't have time and resources to review everything that we offer and don't have an internal IT audit team to inspect and test 3rd party tools and software. SOC audits are conducted by unbiased, independent 3rd party auditors certified by AICPA. They interviewed staff, inspected and tested CellarStone's internal controls as per SOC's Objectives, and prepared a comprehensive audit report. As a result, our customers, partners, and prospects can have increased confidence in Cellarstone's abilities.

Benefits Of SOC

➢ **Independent Unbiased Assurance – Establishes Trust**
As QCommission deals with transaction data and sensitive information, securing data is one of its core functions. The audit conducted by independent auditors proves that the systems and controls that QCommission has in place are secure and effective.

➢ **Efficient**
Customers don't have to spend time and resources in auditing and evaluating the internal controls of CellarStone and prepare a big list of questionnaires and documents. CellarStone already did this for you. Internal controls related to security, processing integrity, and confidentiality were examined in SOC 2 Type 2. Controls related to financial reporting were examined in SOC 1 Type 2 as well. This can save you a lot of time and money.

➢ **Improved Environment and Matured Practices**
CellarStone already had internal audit processes even before SOC audits, thus we are confident about our internal procedures. However, undergoing an SOC audit with independent certified auditors also gave us an opportunity to assess and improve our control environment and meet the standards. It also allowed us to ensure that all internal controls have the highest degree of maturity in building a secured environment and allowed us to minimize the risk for our customers.

SOC 1 Type 2

The SOC 1 Type 2 audit provides an assurance that internal controls relevant to customers' financial reporting are designed and operating effectively over a period of time.

The assessment includes a description of internal controls relevant to customers' financial reporting, tests performed to access them, results of tests, and overall opinion of the operative effectiveness of these controls.

The SOC 1 Type 2 report covers internal controls in the area of data security, risk management, logical access, and change management.

Users of this report are the customers' management and auditors dealing with financial reports.

SOC 2 Type 2

The SOC 2 Type 2 audit provides assurance that internal controls relevant to the 5 Trust Service Criteria - Security, Processing Integrity, Confidentiality, Availability, and Privacy - are designed and operating effectively over a period of time. Out of the 5 TSCs (Trust Service Criteria), CellarStone opted for 3. They are Security, Processing Integrity, and Confidentiality.

Availability - Our sub-service organizations (Hosting/ Data Center Partners) and all our data center partners have their own SOC audit reports. These reports help our customers understand the availability of internal controls within the data centers.

Privacy - Internal controls were already evaluated during the GDPR compliance audit. Control objectives and activities of SOC 2 and GDPR strongly correlate, so our GDPR compliance report maybe used as reference for this Trust Service Criteria.

The **SOC 2 Type 2** audit reports show CellarStone's internal controls and provides an analysis of how the Security, Processing Integrity, & Confidentiality risk assessments were conducted.

It includes "**common criteria**" such as "**Organization and Management**", "**Communications**", "**Risk Management**", "**Monitoring of Controls**", "**Logical & Physical Access Controls**", "**System Operations**", and "**Change Management**".

Everything listed above were tested to see whether or not they were operating as per the design, and best recommended approaches were provided.

Conclusion

After a rigorous evaluation and auditing process, CellarStone's QCommission received **SOC 1 Type 2** and **SOC 2 Type 2** attestations from independent auditors with **zero** exceptions.