CONNECTWise, LLC

ConnectWise Sell

SOC 3® System and System and Organization Controls (SOC) for Service Organizations

Report throughout the period of May 1, 2020 through October 31, 2020
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I. Report of Independent Service Auditor

To: Management of ConnectWise, LLC

Scope

We have examined ConnectWise LLC’s (the “Company”) accompanying assertion titled ConnectWise LLC’s Assertion (the “Assertion”) that the controls within ConnectWise LLC’s Sell System were effective throughout the period May 1, 2020 to October 31, 2020 (the “Specified Period”), to provide reasonable assurance that ConnectWise’ service commitments and system requirements were achieved based on the Trust Services Criteria relevant to Security, Confidentiality, and Availability (“applicable Trust Services Criteria”) set forth in TSP section 100, 2017 Trust Services Criteria for Security, Availability, Processing Integrity, Confidentiality, and Privacy (AICPA, Trust Services Criteria).

ConnectWise uses Amazon Web Services as a subservice provider for hosting of the production infrastructure system and associated physical security and infrastructure support. The Assertion indicates that certain AICPA Applicable Trust Services Criteria specified in the section titled Management of ConnectWise’ Description of its Sell System, under the section Subservice Organizations, can be achieved only if complementary subservice organization controls assumed in the design of the Company’s controls are suitably designed and operating effectively, along with related controls at the Company. Our examination did not extend to the controls of the subservice organization, and we have not evaluated the suitability of the design or operating effectiveness of such complementary subservice organization controls.

The Assertion indicates that certain AICPA Applicable Trust Services Criteria specified in the section titled Management of ConnectWise’ Description of its Sell System, under the section User Entity Controls, can be achieved only if complementary user entity controls contemplated in the design of the Company’s controls are suitably designed and operating effectively, along with related controls at the Company. Our examination did not extend to such complementary user entity controls, and we have not evaluated the suitability of the design or operating effectiveness of such complementary user entity controls.

Service organization’s responsibilities

ConnectWise is responsible for its service commitments and system requirements and for designing, implementing, and operating effective controls within the system to provide reasonable assurance that the Company’s service commitments and system requirements were achieved. ConnectWise has provided the accompanying assertion titled ConnectWise LLC’s Assertion about the suitability of design and operating effectiveness of controls. When preparing its assertion, the Company is responsible for selecting, and identifying in its assertion, the Applicable Trust Services Criteria and for having a reasonable basis for its assertion by performing an assessment of the effectiveness of the controls within the system.

Service auditor’s responsibilities

Our responsibility is to express an opinion, based on our examination, on whether management’s assertion that the controls within the system were effective throughout the period to provide reasonable assurance that the service organization’s service commitments and system requirements were achieved based on the Applicable Trust Services Criteria. Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform our examination to obtain reasonable assurance about whether management’s assertion is fairly stated, in all material respects. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.
Our examination included:

- obtaining an understanding of the system and the service organization’s service commitments and system requirements;
- assessing the risks that the controls were not effective to achieve the Company’s service commitments and system requirements based on the Applicable Trust Services criteria; and
- performing procedures to obtain evidence about whether controls within the system were effective to achieve the Company’s service commitments and system requirements based on the Applicable Trust Services Criteria;

Our examination also included performing such other procedures as we considered necessary in the circumstances.

**Inherent limitations**

There are inherent limitations in the effectiveness of any system of internal control, including the possibility of human error and the circumvention of controls. Because of their nature, controls may not always operate effectively to provide reasonable assurance that the service organization’s service commitments and system requirements were achieved based on the Applicable Trust Services Criteria. Also, the projection to the future of any conclusions about the effectiveness of controls is subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, ConnectWise’ assertion that the controls within the Sell System were effective throughout the Specified Period to provide reasonable assurance that the Company’s service commitments and system requirements were achieved based on the Applicable Trust Services Criteria, in all material respects, is fairly stated.

Atlanta, Georgia
February 24, 2021
II. ConnectWise LLC’s Assertion

We are responsible for designing, implementing, operating, and maintaining effective controls over ConnectWise LLC’s (the “Company”) Sell System (the “System”) throughout the period May 1, 2020 to October 31, 2020 (the “Specified Period”), to provide reasonable assurance that the Company’s service commitments and system requirements relevant to Security, Confidentiality, and Availability were achieved. Our description of the boundaries of the system is presented in Attachment A and identifies the aspects of the system covered by our assertion.

We have performed an evaluation of the effectiveness of the controls within the system throughout the Specified Period to provide reasonable assurance that the Company’s service commitments and system requirements were achieved based on the trust services criteria relevant to Security, Confidentiality, and Availability (the “Applicable Trust Services Criteria”) set forth in TSP section 100, 2017 Trust Services Criteria for Security, Availability, Processing Integrity, Confidentiality, and Privacy (AICPA, Trust Services Criteria).

The Company’s objectives for the system in applying the Applicable Trust Services Criteria are embodied in its service commitments and system requirements relevant to the Applicable Trust Services Criteria. The principal service commitments and system requirements related to the Applicable Trust Services Criteria are specified in Section III titled Management of ConnectWise’ Description of its Sell System.

ConnectWise a subservice provider for hosting of the production infrastructure system and associated physical security and infrastructure support. Certain AICPA Applicable Trust Services Criteria specified in the section titled Management of ConnectWise’ Description of its Sell System, under the section Subservice Organizations, can be achieved only if complementary subservice organization controls assumed in the design of the Company’s controls are suitably designed and operating effectively, along with related controls at the Company. Management’s assertion includes only the controls of the Company and excludes the controls performed by the subservice organization.

Certain AICPA Applicable Trust Services Criteria, specified in Section III, Management of ConnectWise’ Description of its Sell System under the section User Entity Controls can be achieved only if complementary user entity controls contemplated in the design of the Company’s controls are suitably designed and operating effectively, along with related controls at the Company. Management’s assertion includes only the controls of the Company and excludes the controls performed by User Entities.

There are inherent limitations in any system of internal control, including the possibility of human error and the circumvention of controls. Because of these inherent limitations, a service organization may achieve reasonable, but not absolute, assurance that its service commitments and system requirements are achieved.

We assert that the controls within the System were effective throughout the Specified Period to provide reasonable assurance that the Company’s service commitments and system requirements were achieved based on the Applicable Trust Services Criteria.
III. Management of ConnectWise’ Description of its Sell System

A. Scope and Purpose of the Report

This report describes the control structure of ConnectWise (the “Company”) as it relates to its ConnectWise Sell (the “System”) for the period of May 1, 2020 to October 31, 2020 (the “Specified Period”) for the Security, Confidentiality, and Availability Trust Services Categories (the “Applicable Trust Services Criteria”) as set forth in TSP section 100, 2017 Trust Services Criteria for Security, Availability, Processing Integrity, Confidentiality, and Privacy (AICPA, Trust Services Criteria).

It is the responsibility of each specified party to evaluate this information in relation to the control structure in place at the user organization to assess the total internal control environment. The internal control structures at the Company are not designed to compensate for any weaknesses that may exist if the internal control structure at a user organization is ineffective.

B. Company Overview and Background

ConnectWise is an IT software company, powering Technology Service Providers (TSP) to achieve their vision of success in their as-a-service business with intelligent software packages, expert services, and vast eco-system of integration. ConnectWise has unmatched flexibility which caters profitable long-term growth to TSPs.

ConnectWise develops and distributes a business management platform. The company offers a suite of applications that includes an integrated customer relationship management (CRM) solution, help desk and customer service applications, project management, finance and billing systems, and a workflow automation solution. ConnectWise software caters to information technology services, system integration, software development, professional services, and telecommunications sectors. The company was founded in 1982 and is based in Tampa, Florida.

Overview of the Sell system

ConnectWise Sell is a quote and proposal automation platform. The Sell suite provides for workflow automation of the sales lifecycle. This includes tools to build, deliver, and allow partners to accept and modify quotes through online delivery interfaces. Sell also provides for catalog services to update inventory options, allowing ConnectWise partners and their customers to see current inventory and pricing options from distributors. Finally, Sell offers sales reporting and business intelligence capabilities for partners to track activities are results.

Sell Software-as-a-Service provides the following services to partners:

- **Sell** – Provides a platform for ConnectWise partners to convert opportunities into closed business through sales activity workflow automation and reporting. Sell integrates with customer relationship management (CRM) applications including ConnectWise Manage, Salesforce, and NetSuite.

- **Catalog** – Provides integrations with suppliers and distributors, allowing ConnectWise partners to get nightly catalog feeds to help build quotes and orders based on the most current options from suppliers.

- **Order Porter** – The online delivery interface for ConnectWise partners to deliver quotes to their customers. Through Order Porter, a quote can be reviewed, accepted, or modified, and payment can be made. Once a quote is accepted, Order Porter will link back into the sales platform and convert the opportunity to a win.
C. Principal Service Commitments and System Requirements

ConnectWise takes security very seriously. ConnectWise looks at security as a dynamic threat and will continue to work to optimize security for our partners and community. ConnectWise regularly conducts penetration tests that are performed by both internal and external ethical hackers and we run vulnerability assessments on our systems and products on a consistent basis.

ConnectWise products are subject to multiple layers of security from design through testing and into operations. Products designs are aligned with security best-practices and undergo security testing prior to release and regularly in production. In addition, ConnectWise developers complete security training on an annual basis at a minimum.

Security commitments to user entities are documented and communicated in Terms and Conditions and other partner agreements, as well as in the description of the service offerings provided online. Security commitments are standardized and include, but are not limited to, the following:

- Use of encryption technologies to protect partner data stored and in transit
- Role-based access controls to limit user access to sensitive data

Data Security

The system of information security controls was designed to protect specific client contact information, server location, and access credentials. ConnectWise products and services operate with a defined hierarchy of access control requirements.

- Partners can only see their own information.
- Clients can only see their own information.
- Data is handled in accordance with the Data Handling Policy present in the IS Policy. As per the Data Classification Policy, the following classifications are maintained: Sensitive Information, Confidential Information, Internal, and Public Information. Each type of information has their own exposure level.

ConnectWise’s management establishes operational requirements that support the achievement of security commitments, relevant laws and regulations, and other system requirements. Such requirements are communicated through ConnectWise’s system policies and procedures, system design documentation, and contracts with partners. Information security policies define an organization-wide approach to how systems and data are protected. These include policies around how the service is designed and developed, how the system is operated, how the internal business systems and networks are managed, and how employees are hired and trained.

D. Components of the System Used to Provide the Services

Sell is a cloud-based application that is hosted solely in Microsoft Azure. Sell is an online tool that allows partners to manage proposals and prospects and accept payments. Sell uses a multi-tenant web server. However, each partner has their own database instance. Partners access ConnectWise Sell through their web browser.

ConnectWise maintains production system availability using virtual server technology, network-based storage, and redundant systems and connections. Availability zones are available across 12 datacenters for partners depending on contractual agreements.

ConnectWise manages the network security services for their cloud environment. The production infrastructure resides within Microsoft Azure datacenters in multiple availability zones. Partners only have access to their instance. Remote access to the production network is granted via an encrypted VPN client requiring multi-factor authentication. A DMZ is implemented in the cloud-hosted environment to limit inbound traffic from the internet to externally facing production servers while restricting direct access to back-end services. The ConnectWise internal network is protected from public internet traffic via stateful inspection firewalls managed by corporate I.T. personnel.
These firewalls are configured to deny all traffic and only allow specific services to a specific destination. Access to administer the firewalls is restricted to personnel in the Cloud Infrastructure group and is commensurate with their job responsibilities. Custom rules are added that govern the allowed inbound traffic to ConnectWise resources. All other inbound traffic is denied. Rules can be modified as needed and new rules are automatically enforced for all existing and future resources.

Encrypted communications are utilized to protect remote internet sessions to the ConnectWise applications and internal network. Encryption is used to ensure the privacy and integrity of the data being passed over the public network.

E. ConnectWise Control Environment

The control environment sets the tone of an organization, including the control consciousness of its people. It is the foundation for all other components of internal control, providing discipline and structure. Aspects of ConnectWise’s control environment that affect the services provided and/or the system of controls are identified in this section.

The control environment at ConnectWise begins at the highest level of the Company. The Board of Directors includes members independent of the daily operations and is established to provide strategy and oversight to the operational leaders. Executive and senior leadership play important roles in establishing the Company’s core values and tone at the top. Every employee is provided with the Company’s Code of Business Conduct and Ethics, which sets guiding principles.

ConnectWise is committed to protecting its customers’ data and maintaining compliance with applicable regulatory requirements. This is demonstrated by a consolidated Risk Management Program to enable the identification and assessment of risks relating to company objectives. ConnectWise policies and procedures outline the required guidance for operation and information security that support ConnectWise environments, acceptable use of mobile devices, and access to data content and network devices. ConnectWise employees are required to review applicable policies and procedures, as updated from time to time. Evidence of compliance with the training on ConnectWise policies is executed and retained by the Legal, Talent, and University teams.

ConnectWise has setup the Lighthouse Hotline for employees to report any misconduct or violation of ConnectWise policies, practices, rules, requirements, or procedures. Any material violation of the Company Code of Business Conduct and Ethics or any other similar policies are appropriately handled, which may include disciplinary action or termination of employment.

ConnectWise has implemented a formal Executive Information Security Council that is responsible for steering the information security program, monitoring the design, and operating effectiveness of that program, and addressing significant information security risks, issues, and exceptions.

The ConnectWise organizational structure provides a framework for planning, executing, and controlling business operations. The organizational structure assigns roles and responsibilities to provide for adequate staffing, efficiency of operations and segregation of duties. Management has also established authority and appropriate lines of reporting for key personnel. The Company follows a structured on‐boarding process to assist new employees as they become familiar with ConnectWise products, processes, systems, policies, and procedures.

ConnectWise performs a formal evaluation of the appropriate resourcing and staffing to align employee qualifications with the entity’s business objectives to support the achievement of the entity’s business objectives. Appropriate feedback is given to the employee on strengths and growth areas during the annual performance review process. Employee strength and growth evaluations are shared by the employee’s manager with the employee.

The ConnectWise control environment is subject to various internal and external risk assessments. The ConnectWise Security team has established an information security framework and regularly reviews and updates the security policy, provides security training to employees, and performs application security reviews. These reviews assess the availability, confidentiality, and integrity of data, as well as conformance to the information security policy.
Onboarding and Off-boarding
An access request form is completed for personnel as a component of the hiring procedures prior to granting system access. The form is authorized by the appropriate supervisor or manager and documents the equipment provided and types of systems access required. The completed form is provided to the corporate IT team to provision the requested level of access. Employees are limited to system resources that they require to perform their job responsibilities.

A similar form is completed as a component of the termination procedures to collect equipment assigned to the employee and to revoke systems access. The completed form is distributed to corporate I.T. So that systems access can be revoked within 24 hours of employees exit.

Risk Assessment
A Risk Assessment Policy is maintained by management that defines the responsibilities and management for evaluating risk to the organization and determining safeguards to mitigate or reduce those identified risks to an acceptable level. Risk assessments are conducted annually or in the event of a major change in the environment.

Risk assessment activities include identification of risk and vulnerabilities and prioritization of risks by assigning a risk score based on their criticality. ConnectWise’s recognition of risks that could affect the organization’s ability to provide reliable services for its user entities is generally implicit, rather than explicit.

Management’s involvement in the daily operations allows them to learn about risks through direct personal involvement with personnel and outside parties. Identified risks are documented and ranked in the annual risk register. The risk register includes rankings based on a combination of impact and likelihood, identified mitigation activities, and mitigation owners.

Monitoring
Management performs monitoring activities to assess the quality of internal control over time and monitors activities throughout the year and takes corrective actions to address deviations from company policy and procedures. Management utilizes a risk-based approach to monitor business units and other auditable entities throughout the organization, ensuring that enterprise-wide risks are prioritized and addressed in order of significance.

A Key Risk Indicator (KRI) review process is performed by the ConnectWise Information Security team on a monthly basis. This process serves as an internal audit function, and involves input from Human Resources, Engineering, and IT. Some controls are evaluated on a monthly basis while others are examined either quarterly, bi-annually, or annually, depending on the frequency at which the control is performed. After the review is completed, the results of the review are communicated to relevant stakeholders so adequate steps can be taken to mitigate the findings from the review.

Additionally, ConnectWise’s management team obtains and reviews annual service auditor’s reports for subservice organizations to monitor and evaluate the adequacy and effectiveness of controls in place at the subservice organizations.

F. Policies and Procedures
ConnectWise management has developed and communicated policies and procedures to all corporate employees and contractors to secure systems and facilities and reduce the risk of data loss, compromise, or breach. Changes to these policies and procedures are performed annually and are authorized by senior management.

- **Acceptable Use:** The purpose of this policy is to set expectations that users are required to adhere to regarding the proper use and protection of all information systems.

- **Third Party Vendor – Data Protection:** The purpose of this policy is to ensure vendors maintain adequate risk management programs to protect customer information.

- **Acceptable Encryption:** The purpose of this policy is to require strong encryption controls to protect the company’s information in transit and at rest to ensure confidentiality and integrity.
• **Acquisition Assessment**: The purpose of this policy is to establish information security responsibilities in the event of a corporate acquisition and define the minimum-security requirements of an information security acquisition assessment.

• **Anti-Virus**: The purpose of this policy is to safeguard all devices owned by the Company from malicious code.

• **Data Backup**: The purpose of this policy is to ensure the availability of data and ensure business continuity in the event of an accidental deletion or corruption of data.

• **Data Retention and Records**: The purpose of this policy is to ensure that all information is retained and disposed of in accordance with business, legal, and regulatory requirements.

• **Security Credentials Management**: The purpose of this policy is to ensure the confidentiality and integrity of databases where credential information is stored.

• **Destruction of Electronic Media**: The purpose of this policy is to establish a standard for the proper disposal of media containing electronic data and prevent unauthorized disclosure of the information.

• **Information Security Risk Assessment**: The purpose of this policy is to perform periodic information security risk assessments to ensure risks are identified, mitigated, and communicated in a timely manner.

• **Information Sensitivity**: The purpose of this policy is to define the classification of the Company’s information and provide guidelines for the management of information to ensure it is protected from unauthorized and unintentional access, use, and disclosure in accordance with its level of sensitivity.

• **Password**: The purpose of this policy is to establish a standard for the creation of strong passwords, the protection of those passwords, and the frequency of password changes.

• **Patch Management**: The purpose of this policy is to define patch management practices including acquiring, testing, and installing patches of software for existing applications.

• **Physical Security for Information Resources**: The purpose of this policy is to control physical access to information resources. This policy sets forth the rules for establishing, controlling, and monitoring physical access to information resources.

• **Remote Access**: The purpose of this policy is to ensure adequate security measures while accessing information from remote locations or mobile devices.

• **Network Security**: The purpose of this policy is to ensure that access to ConnectWise’s networks are managed and controlled to protect information and information systems.

• **Secure Application Development**: The purpose of this policy is to ensure business applications are written with secure coding standards to protect the confidentiality and integrity of information.

• **Server Security**: The purpose of this policy is to establish standards for the base configuration of internal servers that are owned and/or operated by ConnectWise.

• **Change Management**: The purpose of this policy is to manage changes made to information assets, including network infrastructure and applications, by ensuring that changes to the IT environment are made in a controlled manner.

• **Access Control**: The purpose of this policy is to ensure the confidentiality and integrity of information and to grant and revoke information access in a timely manner in accordance with business requirements.

• **Incident Response**: The purpose of this policy is to define steps to quickly recover from any type of security incident and minimize the business impact, while maintaining business continuity.

• **Information Security Continuity**: The purpose of this policy is to ensure the continuity and security of operations in the event of a disaster.

• **Information Security Compliance Policy**: The purpose of this policy is to ensure compliance with relevant laws and regulations.

• **Asset Management**: The purpose of this policy is to maintain documented asset management guidance and to achieve and maintain appropriate protection of company assets.
- **Vulnerability Management:** The purpose of this policy is to maintain a documented vulnerability management program, which guides authorized personnel in the performance of information security vulnerability assessments to identify vulnerable areas. Critical vulnerabilities are required to be remediated within 30 days of identification and high vulnerabilities are required to be remediated within 60 days of identification. Additionally, penetration tests are required to be performed bi-annually to identify vulnerabilities present in the organization.

- **Audit Log:** Audit log policy outlines the relevant auditing and logging procedures for computer systems, networks and devices stores or transport critical data.

**Procedures**

Standard operating procedures (SOPs) are documented for automated and manual procedures involved in the operation of the SaaS platform. Along with SOPs, management has identified and put into effect actions needed to affect those standards. Control activities have been placed into operation to help ensure that the actions are carried out properly and efficiently.

Documented information security policies and procedures are in place to guide IT and operations personnel in information security administration processes, including, but not limited to, Acceptable usage, access provisioning, Password management, Change management, Incident Response, Network Security, Database Security, Asset Management, Information Security Risk Assessment, Vendor Security Risk Management and data retention and classification. The policies are made available via the intranet and personnel are required to acknowledge their acceptance. A security awareness program is administered annually, and completion is compulsory.

**Access Authentication and Authorization**

Access to system information is protected by authentication and authorization mechanisms enforced by the network and application systems. Users must authenticate to the network remotely via an encrypted VPN requiring two-factor authentication. User authentication must access the application and role-based access mechanisms are in place to restrict access to programs and data once a user is authenticated to the application.

ConnectWise provides the user entities with an administrator account to provide access to partner personnel. Configuration of the password policies, authorization, and removal of access to the application is the responsibility of user entities.

**Incident Response**

Documented escalation procedures for reporting incidents are provided to internal and external users to guide users in identifying and reporting failures, incidents, concerns, and other complaints. IT personnel utilize an automated ticketing system to document system incidents, response, and resolution. The ticketing system provides the means to document, track, notify, and escalate incidents that are reported. Incidents are classified based on urgency and include an initial description of the incident which can be linked to an impacted asset (e.g., a server). Incident tickets also include a history of the steps followed to resolve the particular issue.

ConnectWise personnel monitor partner communications through the User Echo Support Forum. This information is provided to management providing the ability to track, monitor, and assist in understanding partner complaints, concerns, and to evaluate and resolve special requests in a timely fashion. Management’s ability to actively monitor partners’ communications is an integral role in controlling the quality of the services provided.

Management is proactive in responding to partner complaints and there is a high level of inter-departmental communication about these events. Partner complaints and other issues are handled immediately via an internal ticketing system and by personal contact by management staff. Major partner-facing issues are immediately reported to the Product Vice President for discussion and approval of action.
Change Management

Agile software development methodologies have been incorporated into change management and system development life cycle (SDLC). Release cycles typically span a period of one month. A change management meeting is held to discuss and communicate the ongoing and upcoming projects that affect the system. Application changes are requested and recorded within JIRA change request tickets. JIRA is used to document business and technical requirements for application enhancements. Requests for application bug fixes, enhancements, and requirements are entered into JIRA and the development is tracked in JIRA by the developers and other change management personnel. Server and operating systems shall be hardened as mentioned in the IS Policy.

Application development and code changes are made within the development environment that is separate from the production environment. Development personnel utilize version control software to control the ability to access and implement changes to application code. The version control software requires the approval of a Master of the Build for code to be checked into the Master Build. Code reviews are completed by independent members of the development team and QA testing is completed. A meeting is held to review QA results and determine the status of the release. Once approved, the new code is pushed as a patch to the cloud and AWS workflows perform the rollout in a phased approach.

Data Backup and Disaster Recovery

A documented backup standard is in place to guide personnel in backup requirements, backup storage, backup retention, restoration, and encryption. Sell uses a hybrid approach for backups in that if a backup cannot complete it fails over to an AWS snapshot of the entire instance. Backups are encrypted and stored in AWS’ Simple Storage Service (“S3”). ConnectWise personnel work directly with partners to communicate the backup schedule required to meet the entity’s system availability and recovery commitments. ConnectWise is responsible for the configuration of the automated data backup schedule, monitoring the execution of the data backup, and troubleshooting any issues. ConnectWise personnel monitor the automated backup services on a day-to-day basis.

A Disaster Recovery Plan is maintained by ConnectWise. The Disaster Recovery is reviewed and tested on an annual basis to include new business-critical systems and to improve disaster recovery and business continuity processes.

Communication Systems

Management is involved with day-to-day operations and provide personnel with an understanding of their individual roles and responsibilities. This includes providing the necessary training to ensure that personnel understand how their daily activities and roles relate to the overall support of services. Management believes that open communication throughout the organization ensures that deviations from standards are identified, reported, and appropriately addressed.

Onboarding and Offboarding

An access request form is completed for personnel as a component of the hiring procedures prior to granting access system access. The form is authorized by the appropriate supervisor or manager and documents the equipment provided and types of system access required. The completed form is provided to the corporate IT team to provision the requested level of access. Employees are limited to system resources that they require to perform their job responsibilities.

A similar form is completed as a component of the termination procedures to collect equipment assigned to the employee and to revoke system access. The completed form is distributed to corporate IT so that system access can be revoked within 24 hours of termination.
G. User Entity Controls

ConnectWise’s policies and procedures over its Sell SaaS system cover only a portion of the overall internal control for each user entity. It is not feasible for ConnectWise’s service commitments and systems requirements related to the Sell SaaS system to be solely achieved by ConnectWise. ConnectWise’s control policies and procedures were designed with the assumption that certain controls as defined below, would be in place and in operation at the sub-service organization and user entities. Sub-service organization controls and user entity internal controls must be evaluated, taking into consideration ConnectWise controls and their own internal controls. ConnectWise’s management does not make any representations regarding responsibility related to, or provide any assurance in regard to any such internal control or regulatory requirements for which the client must assess or comply.

In order for user entities to rely on the controls reported on herein, each user entity must evaluate its own internal control to determine if the identified complementary user entity control responsibilities as defined in the following, have been implemented and are operating effectively:

- User entities are responsible for informing ConnectWise of any regulatory issues that may affect the services provided by ConnectWise to the user entity.
- User entities are responsible for understanding and complying with their contractual obligations to ConnectWise.
- User entities are responsible for determining whether ConnectWise’s security infrastructure is appropriate for its needs and notifying ConnectWise personnel of any requested modifications.
- User entities are responsible for notifying ConnectWise personnel, in a timely manner, when changes are made to technical, billing, or administrative contact information.
- User entities are responsible for ensuring that appropriate individuals have the requisite training on ConnectWise software.
- User entities are responsible for ensuring the confidentiality of any user IDs and passwords assigned to them for use with ConnectWise’s systems.
- User entities are responsible for ensuring that user IDs and passwords are only assigned to authorized individuals and that the roles assigned to the user accounts are appropriate.
- User entities are responsible for the administration of user access for ConnectWise applications.
- User entities are responsible for implementing a security infrastructure and practices to prevent unauthorized access to their internal network and to limit threats from connections to external networks.
- User entities are responsible for ensuring that the software is configured and functioning per their requirements and for notifying ConnectWise personnel in a timely manner of any issues.
- User entities are responsible for immediately notifying ConnectWise personnel of any actual or suspected information security breaches, including compromised user accounts.
- User entities are responsible for responding to alert notifications.
- User entities are responsible for applying changes to the production environment or for granting access to ConnectWise employees to apply changes to production.

H. Subservice Organizations

ConnectWise uses Amazon Web Services for its third-party hosting of servers and equipment, including the restriction of physical access to the defined system including, but not limited to, facilities, backup media, and other system components such as firewalls, routers, and servers. The following control functions performed by AWS are critical to achieving the Company’s service commitments and system requirements based on the applicable trust services criteria:

- Physical security of the datacenters hosting the in-scope applications,
- Environmental controls, around the backup processes at the datacenters hosting the in-scope applications to support the disaster recovery processes, and
- Processes to ensure the secure destruction of decommissioned equipment.
• Implementing physical and environmental safeguards to protect the IT infrastructure from certain environmental and physical security threats.
• Notifying ConnectWise of any breaches to the physical security of the data center.
• Notifying ConnectWise of any failure of controls which could affect the availability of production systems.
• Secure destruction of decommissioned equipment.

ConnectWise has deployed the following controls to help monitor the subservice organization:
• On an annual basis, management evaluates the performance of the third-party organization to help ensure the compliance with commitments and agreed-upon service level agreements.