LeaseQuery, LLC

Service Organization Controls Report

Description of LeaseQuery, LLC's Lease Accounting and Lease Management System throughout April 1, 2020 – September 30, 2020

Deloitte.

This report, including the description of tests of controls and results thereof in Section IV is intended solely for the information and use of the Service Organization, user entities of the Service Organization's system related to Lease Accounting and Lease Management during some or all of the period, and the independent auditors of such user entities, who have a sufficient understanding to consider it, along with other information including information about controls implemented by user entities themselves, when assessing the risks of material misstatements of user entities' financial statements. This report is not intended to be and should not be used by anyone other than these specified parties.

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Section I:
Independent Service Auditors' Report

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Scope

We have examined the description of the system of LeaseQuery, LLC (the "Service Organization" or "LeaseQuery") related to its Lease Accounting and Lease Management System throughout the period April 1, 2020 to September 30, 2020 (the "Description") and the suitability of the design and operating effectiveness of controls included in the Description, based on the criteria identified in Section II (the "Assertion"). The controls and control objectives included in the Description are those that management of LeaseQuery believes are likely to be relevant to user entities' internal control over financial reporting, and the Description does not include those aspects of the system of LeaseQuery that are not likely to be relevant to user entities' internal control over financial reporting.

The information in Section V, "Other Information Provided by the Service Organization," that describes the Service Organization's Disaster Recovery and Security Incident Response plan is presented by management of the Service Organization to provide additional information and is not a part of the Service Organization's description of its system made available to user entities during the period April 1, 2020 to September 30, 2020. Information about the Disaster Recovery and Security Incident Response plan has not been subjected to the procedures applied in the examination of the description of the system and of the suitability of the design and operating effectiveness of controls to achieve the related control objectives stated in the description of the system and, accordingly, we express no opinion on it.

LeaseQuery utilizes Amazon Web Services as a subservice organization to provide certain hosting operations, data center management, and network management, and utilizes Microsoft Azure as a subservice organization for services related to the storage of replicated backup data to support the System ("subservice organizations"). The Description in Section III includes only the controls and related control objectives of the Service Organization and excludes the control objectives and related controls of the subservice organizations. The description also indicates that certain control objectives specified by LeaseQuery can be achieved only if complementary subservice organization controls assumed in the design of the Service Organization's controls are suitably designed and operating effectively, along with the related controls at LeaseQuery. Our examination did not extend to controls of the subservice organizations or their functions, and we have not evaluated the suitability of the design or operating effectiveness of such complementary subservice organization controls.

The Description indicates that certain control objectives specified in the Description can be achieved only if complementary user entity controls contemplated in the design of the Service Organization's controls are suitably designed and operating effectively, along with related controls at the Service Organization. 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

In Section II, the Service Organization has provided an assertion about the fairness of the presentation of the Description and suitability of the design and operating effectiveness of the controls to achieve the related control objectives stated in the Description. The Service Organization is responsible for preparing the Description and its assertion, including the completeness, accuracy, and method of presentation of the Description and the assertion, providing the services covered by the Description, specifying the control objectives and stating them in the Description, identifying the risks that threaten the achievement of the control objectives, selecting the criteria stated in the assertion, and designing, implementing, and documenting controls that are suitably designed and operating effectively to achieve the related control objectives stated in the Description.

Service Auditors' Responsibilities

Our responsibility is to express an opinion on the fairness of the presentation of the Description and on the suitability of the design and operating effectiveness of the controls to achieve the related control objectives stated in the Description, based on our examination. Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA). Those standards require that we plan and perform our examination to obtain reasonable assurance about whether, in all material respects, based on the criteria in management's assertion, the Description is fairly presented, and the controls were suitably designed and operating effectively to achieve the related control objectives stated in the Description throughout the period April 1, 2020 to September 30, 2020. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

An examination of a description of a service organization's system and the suitability of the design and operating effectiveness of controls involves:

- Performing procedures to obtain evidence about the fairness of the presentation of the Description and the suitability of the design and operating effectiveness of the controls to achieve the related control objectives stated in the description, based on the criteria in management's assertion.
- Assessing the risks that the description is not fairly presented and that the controls were not suitably designed or operating effectively to achieve the related control objectives stated in the Description.
- Testing the operating effectiveness of those controls that management considers necessary to provide reasonable assurance that the related control objectives stated in the Description were achieved.
- Evaluating the overall presentation of the Description, suitability of the control objectives stated therein, and suitability of the criteria specified by the service organization in its assertion.

Inherent Limitations

The Description is prepared to meet the common needs of a broad range of user entities and their auditors who audit and report on user entities' financial statements and may not, therefore, include every aspect of the system that each individual user entity may consider important in its own particular environment. Because of their nature, controls at a service organization may not prevent, or detect and correct, all misstatements in processing or reporting transactions. Also, the projection to the future of any evaluation of the fairness of the presentation of the Description, or conclusions about the suitability of the design or operating effectiveness of the controls to achieve the related control objectives, is subject to the risk that controls at a service organization may become ineffective.

Description of Tests of Controls

The specific controls tested, and the nature, timing, and results of those tests are listed in Section IV of this report.

Opinion

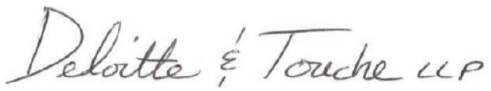
In our opinion, in all material respects, based on the criteria described in the Service Organization's assertion in Section II of the report:

a. The Description fairly presents the system related to its Lease Accounting and Lease Management System that was designed and implemented throughout the period April 1, 2020 to September 30, 2020.

b. The controls related to the control objectives stated in the Description were suitably designed to provide reasonable assurance that the control objectives would be achieved if the controls operated effectively throughout the period April 1, 2020 to September 30, 2020 and the subservice organizations and user entities applied the complementary controls assumed in the design of the Service Organization's controls throughout the period April 1, 2020 to September 30, 2020.
c. The controls operated effectively to provide reasonable assurance that the control objectives stated in the Description were achieved, throughout the period April 1, 2020 to September 30, 2020, if complementary subservice organization and complementary user entity controls assumed in the design of LeaseQuery Service Organization's controls operated effectively throughout the period April 1, 2020 to September 30, 2020.

Restricted Use

This report, including the description of tests of controls and results thereof in Section IV, is intended solely for the information and use of management of LeaseQuery, user entities of the LeaseQuery's system related to Lease Accounting and Lease Management during some or all of the period April 1, 2020 to September 30, 2020, and their auditors who audit and report on such user entities' financial statements or internal control over financial reporting and have a sufficient understanding to consider it, along with other information including information about controls implemented by user entities themselves, when assessing the risks of material misstatements of user entities' financial statements. This report is not intended to be and should not be used by anyone other than these specified parties.



November 20, 2020

Section II:
Management's Assertion

Section II:
Management's Assertion

For the period April 1, 2020 through September 30, 2020

LeaseQuery, LLC's Assertion

We have prepared the description of the system of LeaseQuery LLC's (LeaseQuery) relating to its Lease Accounting and Lease Management system (description) for user entities' during some or all of the period April 1, 2020 to September 30, 2020 and their user auditors who have a sufficient understanding to consider it, along with other information, including information about controls implemented by user entities of the system themselves, when assessing the risks of material misstatements of user entities' financial statements.

LeaseQuery uses Amazon Web Services and Microsoft Azure to provide certain hosting operations, data center management, network management (Amazon) and servers related to the storage of replicated backup data to support the system. The description includes only the control objectives and related controls of LeaseQuery and excludes the control objectives and related controls of the subservice organizations. The description also indicates that certain control objectives specified by LeaseQuery can be achieved only if complementary subservice organization controls assumed in the design of LeaseQuery's controls are suitably designed and operating effectively, along with the related controls at LeaseQuery. The description does not extend to controls of the subservice organization.

The description indicates that certain control objectives specified in the description can be achieved only if complementary user entity controls assumed in the design of LeaseQuery's controls are suitably designed and operating effectively, along with related controls at the service organization. The description does not extend to controls of the user entities.

Description Criteria

We confirm, to the best of our knowledge and belief, that:

1. The description fairly presents the Lease Accounting and Lease Management system made available to user entities of the system during some or all of the period April 1, 2020 to September 30, 2020 for processing their transactions. The criteria we used in making this assertion were that the description:

    a. Presents how the system made available to user entities was designed and implemented to process relevant transactions, including, if applicable:

        i. The types of services provided including, as appropriate, the classes of transactions processed.

        ii. The procedures, within both automated and manual systems, by which those services are provided, including, as appropriate, procedures by which transactions are initiated, authorized, recorded, processed, corrected as necessary, and transferred to the reports and other information prepared for user entities of the system.

iii. The information used in the performance of procedures, including, if applicable, related accounting records, whether electronic or manual, and supporting information involved in initiating, authorizing, recording, processing, and reporting transactions; this includes the correction of incorrect information and how information is transferred to the reports and other information prepared for user entities.

iv. How the system captures and addresses significant events and conditions.

v. The process used to prepare reports or other information provided to user entities of the system.

vi. Services performed by a subservice organization, if any, including whether the carve-out method or the inclusive method has been used in relation to them.

vii. The specified control objectives and controls designed to achieve those objectives including as applicable, complementary user entity controls assumed in the design of LeaseQuery's controls.

viii. Other aspects of our control environment, risk assessment process, information and communications (including the related business processes), control activities, and monitoring activities that are relevant to the services provided.

b. The description includes relevant details of changes to LeaseQuery's system during the period covered by the description when the description covers a period of time.

c. The description does not omit or distort information relevant to the service organization's system, while acknowledging that the description is prepared to meet the common needs of a broad range of user entities of the system and their user auditors, and may not, therefore, include every aspect of the system that each individual user entity of the system and its auditor may consider important in its own particular environment.

2. The controls related to the control objectives stated in the description were suitably designed and operated effectively throughout the period April 1, 2020 to September 30, 2020 to achieve those control objectives provided that subservice organizations and user entities applied the controls contemplated in the design of the service organization's controls. The criteria we used in making this assertion were that:

    a. The risks that threaten the achievement of the control objectives stated in the description have been identified by LeaseQuery.

    b. Controls identified in our description would, if operating as described, provide reasonable assurance that those risks would not prevent the control objectives stated in our description from being achieved.

    c. The controls were consistently applied as designed, including whether manual controls were applied by individuals who have the appropriate competence and authority.

Section III:

Description of the System

Section III: Description of the System

OVERVIEW OF SERVICES

LeaseQuery is a private company founded by accounting and information technology professionals and operated by professionals with accounting, operations, banking and financial reporting experience.

LeaseQuery has developed a cloud-based lease accounting and management tool, also called LeaseQuery. LeaseQuery provides subscription-based access to the LeaseQuery application to assist clients with their accounting for and management of leases, such as real estate, equipment and vehicle leases. The LeaseQuery application supports the new guidance issued by the Financial Accounting Standards Board (FASB) within Accounting Standards Codification (ASC) 842, "Leases", the International Accounting Standards Board (IASB) within International Financial Reporting Standard (IFRS) 16, "Leases", and the Governmental Accounting Standard Board (GASB) within GASB 87,"Leases" as well as the legacy lease guidance within ASC 840, International Accounting Standard (IAS) 17 and legacy lease guidance released by the GASB, such as GASB 13 and GASB 62. The application provides the following functionalities.

- **Accounting:** Accounting for leases, such as real estate, equipment and vehicle leases
- **Accounting Rules:** Calculates how a client should account for leases and book journal entries in accordance with ASC 842 and ASC 840 promulgated by the FASB, IFRS 16 and IAS 17 promulgated by the IASB, and GASB 87, and legacy lease guidance promulgated by GASB such as GASB 13 and GASB 62.
- **Amortization:** Provides amortization schedules in accordance with Generally Accepted Accounting Principles (GAAP), IFRS, and GASB, as appropriate, for leases in order to produce lease accounting related journal entries under the applicable standards
- **Journal Entries:** Generates the journal entries necessary to account for the leases throughout the lease life cycle
- **Alerts:** Provides functionality to allow user organizations to set email alerts for critical dates, such as renewals and expirations
- **Storage:** Provides digital document storage for leases
- **Reporting:** Provides standard and customized reporting capabilities
- **Dual Control / Segregation of Duties:** Supports configuration of segregation of duties, for example, that a user other than the user who originally entered the lease information approve each input screen for a new lease to reduce the risk of potential errors

The LeaseQuery application provides users with the journal entries to account for leased assets, short- and long-term lease related liabilities, amortization and depreciation expense related to the lease assets, interest expense related to the lease liabilities and lease expense.

The LeaseQuery application is offered as a Software-as-a-Service model that is hosted by Amazon Web Services (AWS).

In summary, the System is comprised of the application below, along with the supporting operating system and database platform:

Application Name	Operating System Technology	Database Technology	Description
LeaseQuery	Windows	MS SQL Server (Period 4/1/2020 – 6/13/2020); PostgreSQL database hosted on AWS Aurora (Period 6/14/2020 – 9/30/2020)	A single-instance, cloud-based lease accounting and management tool, that assists clients with their accounting for and management of real estate, equipment and vehicle leases.

The LeaseQuery application utilizes the following key supporting tools:

- GitHub – GitHub is the tool used to manage and secure source code.
- Octopus Deploy (Period 4/1/2020 – 9/12/2020) – Octopus Deploy is the tool used to deploy releases to the production environment.
- Jenkins (Period 9/13/2020 – 9/30/2020) – Jenkins is the tool used to deploy releases to the production environment.
- Jira – Jira is the ticketing tool used to track application changes.
- ZenDesk – ZenDesk is the tool used for incident management tracking through resolution.

Subservice Organizations

The production infrastructure supporting the LeaseQuery application is hosted by a third-party cloud hosting provider, AWS. The cloud hosting provider also provides various managed services related to the LeaseQuery application, including physical security, environmental controls, scheduled maintenance, virtual infrastructure change management and other services, as needed, under the direction of LeaseQuery management.

LeaseQuery also contracts with Microsoft Azure for the storage of backup data.

Control Environment

Integrity and Ethical Values
LeaseQuery has developed and implemented standards of conduct to guide employee behavior. These policies are communicated to employees through an Employee Handbook, which is made available and provided to employees at or before their hire date. These policies are updated periodically. Each employee is required to acknowledge in writing that they have read, understand and agree to abide by the policies and regulations included in the Employee Handbook upon hiring. Noncompliance with these policies and regulations, as defined in the various employee policies, may lead to disciplinary action up to and including termination.

Management's Philosophy and Operating Style, Assignment of Authority and Responsibility
A high level of communication is maintained among the LeaseQuery management team. The management team generally meets on an as-needed basis to discuss various matters including marketing, operations, IT, security, and risk initiatives and developments. Policies that support security and operations have been developed to guide management and operations personnel in their daily operation of the company. Authority and responsibility are communicated to all employees by management through newsletters, frequent in person meetings (including a regular cadence of company-wide town hall meetings) and interaction.

Human Resource Policies and Procedures
LeaseQuery has defined processes to ensure that competent employees are recruited, developed and retained. These processes and procedures include appropriate reference checks for all new hires. Employment policies and procedures are communicated to employees at or before the time of hire as described above, and employee performance evaluations are conducted annually. During employee performance evaluations, compliance with guidelines and performance against functional expectations are evaluated.

Risk Assessment
LeaseQuery has placed into operation risk management processes to identify and manage risks that could affect its ability to provide clients with access to the LeaseQuery System. Management meets on an as-needed basis to discuss operation and strategic items, including Information Technology risk assessment and mitigation.

Management ensures the various components of the risk management process are regularly reviewed and evaluated. This review process considers any relevant changes in company activities, as well as the market environment.

Monitoring
Monitoring of the control system is a process that assesses the quality of the internal control system's performance over time. Management and individuals responsible for the technical and operational areas of LeaseQuery monitor the quality of the internal control performance as a routine part of their activities. This includes monitoring server performance, database performance, server capacity and reviewing automatically generated alerts of system failures. Management also reviews the activities of critical third-party vendors, as needed.

For key subservice organizations relevant to the scope of this report, LeaseQuery obtains and reviews the relevant SOC 1 reports bi-annually. The purpose of the review is to understand the control environment and the effectiveness of related internal controls at the service organizations, including any changes to the IT environment, to evaluate LeaseQuery's compliance with relevant complementary user entity controls (CUECs), and to assess the impact of control deviations on the LeaseQuery System.

Further, each quarter, LeaseQuery obtains and reviews the relevant bridge letters for the subservice organizations. LeaseQuery reviews to understand if there are any changes to the control environment of the subservice organizations, and to assess any impact of these control changes on the LeaseQuery system.

Control Activities
LeaseQuery has developed and implemented formal policies and procedures that address critical operational processes, including those related to IT general controls, to help management ensure that processes are executed with formality and consistency. Control activities, whether automated or manual, related to the achievement of specific control objectives are applied at various levels throughout the organization.

These policies are created by management, approved by the Board of Managers, and updated as necessary. Information security requirements of all employees are communicated through the Employee Handbook and periodically reinforced through performance evaluations, compliance awareness initiatives and on-site supervision. The Employee Handbook sets forth the expectations and responsibilities of employees in regard to information security. The Employee Handbook also covers hiring, termination, compensation, performance, and benefits.

Policies that LeaseQuery has implemented include, but are not limited to, the following key areas:

- Segregation of Duties (includes information security)
- Encryption
- Access Control
- Change Control (includes patch management)
- Integrity and Data Validation
- Backup

Specific control activities are provided in the Transaction Processing and General Computer Control sections within this Description as well as within Section IV: Description of Control Objectives, Controls, Tests and Results of Tests.

Information and Communication
LeaseQuery's information system has been designed to capture relevant information to achieve the financial reporting objectives of its user entities. The information system also consists of procedures, whether automated or manual, and records to initiate, authorize, record, process and report user entity's transactions (as well as events and conditions) and maintain accountability for the related assets, liabilities, and equity. A description of the information system is provided within the Overview of Operations section of this Description.

Communication with employees regarding standards and the responsibilities of individuals and groups throughout LeaseQuery is made through the Employee Handbook, performance evaluations, company-wide compliance awareness initiatives and on-site supervision. Additionally, management communicates with employees through a variety of meetings, including employee meetings and operational meetings, which are held at least bi-weekly.

IT GENERAL CONTROLS

SYSTEMS DEVELOPMENT AND CHANGE MANAGEMENT

Control Objective 1: Controls provide reasonable assurance that changes to applications and critical systems are authorized, tested, properly implemented and documented.

Policies and Procedures:
LeaseQuery maintains formal systems development and change management policies and processes outlining procedures and documentation requirements for application elements that support the LeaseQuery application environment. Policy and procedure documentation is reviewed annually and updated as needed.

Initiation and Authorization:
The change management process is initiated via the creation of a change request in the Jira ticketing system. Requests may result from either user entity requests, or LeaseQuery's identification of the need for a particular modification or enhancement.

Prior to development, changes are evaluated by LeaseQuery management to initially assess prioritization and feasibility. Business Analysts are responsible for documenting the relevant requirements associated with the change. The changes are then categorized, and queued for development in the Jira ticketing system.

Changes will be categorized as one of the following types:

- Bug: A fix to a broken function within the system, as identified by a user entity or a LeaseQuery employee, including hotfixes
- Story: An application enhancement at the request of a user entity or identified internally by LeaseQuery

The above classifications are used for internal purposes in order to categorize the level of effort associated with a given change. As it relates to the development, testing, approval and deployment to production aspects of the process, the process and required steps for each of the change types are the same.

Application development is performed by a team of programmers in the operations department under the direction of the Engineering leadership team. On a regular basis, sprint planning meetings are held within the Development team. During the sprint meetings, decisions are made regarding which requests to prioritize, at which time the Engineering leadership team authorizes changes for development. When a change is authorized for development during the sprint planning meeting, a developer is assigned, and the change is moved from the backlog and assigned to a specific sprint by an authorized member of the Development team. The assignment to a sprint release serves as authorization for a developer to begin coding the change. In the event that a change must be made prior to a scheduled sprint release, the change will be assigned to an off-cycle release (i.e., hotfix).

After authorization for development is provided, the assigned developer will check the code out of GitHub, LeaseQuery's source code repository, and begin work on the change accordingly. Code within GitHub is managed using a commit process whereby code is checked out, updated and committed back to the branch in which the developer is working. Access to GitHub is restricted to authorized personnel based on job function.

Testing:

Once all code changes have been completed, the developer will demonstrate their changes to a product team member when applicable. After it has been determined the changes have met the requirements of the ticket, the ticket will be moved to "peer review." During the "peer review" process another developer will review the changes made, provide feedback, and approve or return the ticket. Upon approval the ticket will be moved to "code review."

Members of the engineering leadership team or a designated team lead will execute the code review process. This process consists of reviewing all changes made. If the code changes are not approved, the code reviewer will add feedback and return the ticket to development for additional changes. Upon approval, the code changes will be merged into the test site code base, deployed to the QA site, and ticket status will be changed to "Ready for QA."

The testing resource will move the ticket from "Ready for QA" to the "QA Test" status and begin testing, recording the results within the Zephyr Test Management system and linking the test cases to the JIRA ticket that is being tested. When testing is completed with satisfactory results, the testing resource will change the ticket status to "Test Verified."

Once all tickets in the planned deployment have moved to the "Test Verified" status, all changes will be merged into the stage site code base, deployed to the stage site, and placed into the "Merged to Stage" status by a member of the engineering leadership team or a designated team lead.

At this point, testing resources will move the tickets from the "Merged to Stage" to the "QA - Stage" status and begin integration testing. Integration testing is performed to determine whether newly introduced changes may adversely interact with the merged code base.

If at any point a testing resource rejects a ticket, the ticket will be moved to the "returned to dev" status and assigned to the developer who first performed the code changes. Detailed test support documentation will be attached to the JIRA Ticket to aid the developer in understanding why the ticket was rejected. Testing resources receive training both on performing the relevant testing activities, as well as on specific lease accounting topics.

Upon successful completion of the testing in the stage environment, tickets will be transitioned to the status of "Prod Ready" to be included in the next deployment.

If the new code has been tested and approved for release in accordance with the process described above, an authorized member of the Engineering Team will send release notes to the Chief Executive Officer and Chief Operating Officer, which will either be approved or rejected by the Chief Executive Officer or the Chief Operating Officer. If approved, a member of the engineering leadership team will create a release via TeamCity and send it to an authorized member of the Engineering Team. After the release creation, all included system changes will be sent to the Chief Executive Officer and the Chief Operating Officer by the authorized member of the Engineering Team. If there is expected downtime with the release, to the extent feasible under the circumstances (as determined by the engineering leadership team), the release should occur at the next scheduled deployment window (between midnight and 1:00 a.m. EST Saturday or Sunday morning); otherwise it will occur between 11:00 p.m. and 5:00 a.m. on any day.

When practical, changes will be bundled for migration into the production environment. As necessary, any migration instructions will be prepared for moving the bundled changes into the production environment.

Next, an authorized member of the Engineering Team will deploy the new code to the production environment during the approved deployment window using Jenkins. Only authorized engineering team members shall have access to the production system and the ability to trigger a deployment. If there are any issues with the deployment, TeamCity will be utilized to roll back the deployment to the previous release to ensure that the system is rolled back to its previous clean state. To ensure separation of duties, the engineers with write access will not be able to deploy the code (only the authorized engineering team members will have this authority). In addition, the Chief Executive

Officer and engineering team members with deployment rights will not be able to create a release (only the engineering leadership will have this authority).

All changes in the master branch and deployment package will be tracked via the production release configuration in TeamCity.

Finally, the system will be smoke tested by a member of the QA team to ensure that the production deployment includes all changes and has no production issues. If there is no evidence that the code was successfully merged, the quality analyst will verify the change was successfully made to production and provide proof of this testing in the ticket. The ticket will then be flagged as "verified in production."

Infrastructure Change Management:

Patching of the OS servers is performed at least monthly. Initially, a designated test server is updated. If the review of the updated poses no issues, a member of the engineering leadership team or an appropriate member of engineering will apply the patches to all applicable production servers.

To the extent changes are required to database objects, these would follow the process described as part of the application change management process, described above.

LOGICAL SECURITY

Control Objective 2: Controls provide reasonable assurance that logical access to programs, systems, and data is limited to properly authorized individuals.

Application Authentication

Authentication to the LeaseQuery application is via a web-based portal and requires a unique user ID and password. LeaseQuery has established minimum password requirements for constructing passwords for the LeaseQuery application, databases, operating systems and the network. Baseline requirements for password composition are included within LeaseQuery's Information Security Policy and include leading practice configurations for the following:

- Minimum character length requirements
- Required inclusion of upper-case letter(s) and special symbols
- Password lockouts after a specified number of failed login attempts
- Mandatory periodic password changes

Clients can elect to authenticate to the portal via Single Sign On (SSO) functionality. Clients that elect SSO to connect to the LeaseQuery application are responsible for setting appropriate user ID and password requirements. Clients that do not elect SSO and LeaseQuery employees are subject to the requirements described above.

Operating System and Network Authentication:

Authentication to the operating system is via Administrator access to the LeaseQuery network. Administrative access rights are restricted to authorized LeaseQuery employees based upon business needs. Authentication to the network requires a unique user ID and password and is subject to the password composition requirements described above in the section "Application Authentication". Client users are not granted access to the LeaseQuery operating system or network.

Database Authentication:

Authentication to the PostgreSQL database is via direct login from the AWS environment through LeaseQuery's VPN system. Administrative access rights are restricted to authorized LeaseQuery users based upon business needs. Client users do not have permission to access the database.

LeaseQuery Employee Security Administration:

The LeaseQuery application uses role-based security to grant LeaseQuery users access to functionality within the system, including to support user entities with troubleshooting and data entry, as requested by the user entity. User access to the LeaseQuery application and underlying infrastructure is provisioned following submission of an approved access request form. Users are granted access based on the "LeaseQuery Management System Authorized User Access Matrix," which is used to determine the user access/role assignments based on users' job functions. In the event a user requires access that is not pre-approved within the authorized user access matrix, access may be granted following the submission of an approved request and valid business justification for the access.

LeaseQuery follows the common user de-provisioning process for all employees and systems. When an employee is terminated from LeaseQuery, a termination form is completed in order to document the removal of access from each system to which they may have been granted access, including the network, LeaseQuery application, as well as infrastructure components or supporting tools, as applicable. The system administrator responsible for removing access will initial and date the time that the access was revoked. Access for terminated users is removed within 48 hours of separation from LeaseQuery.

Privileged access to the application, database and internal production servers is restricted to authorized users based on job functions. Privileged access to the application is restricted using predefined administrative roles, access to the production servers is controlled through whitelisted IP addresses on the firewall, and access to the database supporting the LeaseQuery application is controlled through group policy/server level access/VPN access. Access to the AWS cloud service portal is also restricted to authorized members of management.

Client Security Administration:

The LeaseQuery application provides standard roles for clients, such as Lease Entry, Lease Entry Approval, Client Auditor and Client Administrator. Once a Client Administrator has been set up during the implementation process, clients are responsible for all administration of client user access.

Data Security:

LeaseQuery established multi-tenancy controls within the application and database by restricting user access based on client ID. Upon enrolling a new user entity, a client account is created within the application specific to that user entity, distinguished by client ID, which serves as a primary key for all transactions occurring within the client. User entities are only able to transact inside their own client account, such that user entity data remains segregated from other user entities.

IT OPERATIONS

Control Objective 3: Controls provide reasonable assurance that production systems and databases are backed up according to an established schedule and available for restoration.

System Backups and Replication:

LeaseQuery has implemented procedures designed to ensure that data is backed up and stored offsite and is recoverable. LeaseQuery maintains a redundant database within the cloud environment with active read replicas that replicate data in real-time. A full backup file of the database is also created weekly and stored offsite (at Microsoft Azure), while incremental backups are performed continuously. The application repository is also backed up when new releases are implemented; these backups are stored in a separate online code repository.

Alerts are emailed to the IT staff in the event that database backups do not occur as scheduled. IT staff review these alerts and take corrective action, as needed.

Control Objective 4: Controls provide reasonable assurance that incidents are identified, tracked and resolved in a timely manner.

Problem and Incident Management:

LeaseQuery maintains a Security Incident Management Plan that is reviewed and approved by the Board of Managers as needed. All new hires are required to sign an acknowledgment of receipt of the Employee Handbook, which incorporates by reference the Security Incident Response Plan, and any updates to the plan are disseminated to all employees. These policies include guidelines for both internally identified and client identified incidents.

When an incident occurs, LeaseQuery follows its defined incident response process as outlined in the Security Incident Response Plan. Information relating to security incidents may be reported or discovered in a variety of ways, but regardless of the source, once any LeaseQuery personnel has actual notice of, or any reason to suspect, the occurrence of a security incident, such personnel is required to report it to directly to the Chief Information Security Officer or to the Company's designated security team. The Chief Information Security Officer is responsible for determining whether a security incident has occurred, and if so, assembling the appropriate response team, overseeing the initial and continuing responses, in each case in accordance with the Security Incident Response Plan. For all incidents that are not security incidents, ZenDesk may be utilized for the initial notification of an incident. Internal incidents are initiated via an email to the help desk inbox, which automatically creates a ZenDesk ticket. External incidents identified by user entities are initiated via a phone call or email to the LeaseQuery Customer Success team. The Customer Success team inputs the information into a ZenDesk ticket or sends an email to the IT Help Desk, which is routed to the appropriate parties within ZenDesk.

Incidents are classified by the Customer Success team. Incidents that require changes to coding are tracked via a JIRA ticket, resolved according to the change management process, and then included within a release. Critical incidents that require immediate attention will be escalated internally, and any coding changes required will follow the Hotfix release process.

TRANSACTION PROCESSING CONTROLS

LeaseQuery is a cloud-based lease administration software package that allows users to administer and account for leases throughout the lease life cycle. LeaseQuery's software works for both lessors and lessees and allows users to capture contact information, set reminders for important contract dates, create and export monthly accounting journal entries, and provides for storage of executed leases and related documents in a cloud environment. LeaseQuery can be used to account for disparate leases (e.g., real estate, equipment and vehicle leases), includes standard and ad-hoc

reporting capabilities, and assists users in accounting for the lease arrangements in accordance with accounting rules under ASC 840, ASC 842, IAS 17, IFRS 16, GASB 87 and legacy GASB lease guidance.

Users of the LeaseQuery application input lease-related information through a series of input screens as described below. Users are also provided with the option to upload lease information using properly formatted Excel or .csv files. The application is designed to collect (in the manner described below) only the minimum information necessary to calculate monthly journal entries throughout the lease life cycle and aggregate the information necessary for required lease disclosures. Transacting in the LeaseQuery application is generally conducted in real time, and scheduled jobs or batch processing are not significant to the operation of the application.

Control Objective 5: Controls provide reasonable assurance that data required for lease accounting transaction processing, recording and reporting is complete and accurate.

General Inputs:

The LeaseQuery application requires the following general inputs for all leases:

- Lease type (operating or capital)
- Designation as lessee or lessor
- Classification of the lease (land, building, equipment, vehicle, other)
- For land and building leases, complete address of the primary location of the leased item
- For equipment, vehicle, or other classification leases, the make, model and serial number of the leased asset

These items must be completed before the user is allowed to progress to the Contacts input page.

Contacts Input:

Contacts allow the user to designate the vendor/landlord or tenant. The entity name of the lease counterparty is required, but the contact name and business address for the vendor/landlord or tenant are optional. The user may also designate business contact information for attorneys, brokers, property managers and other contacts, all of which are optional. If the user designates any additional contacts, the name and business address for such contacts are required inputs before the user can progress to the Dates input screen.

Dates Input:

The Dates input screen includes critical dates that are required to properly account for the lease. It also allows for the input of optional lease provisions that are date driven, such as options to renew, options to terminate, options to purchase and other information. If these optional features are selected, additional information is required, and reminders can be established to alert the user that action may be required.

The date fields that are required before the user can progress to the financial input screen are:

- Possession date
- Lease end date

In the absence of the above required fields, the system will prevent further processing until such time as all required fields are populated.

Financial Inputs:

The Financial Input screen permits the entry of the name and address of the payee if it is different from the landlord/vendor. In addition, this screen requires the information related to base rent (amount, payment frequency, first and last payment date) and allows for fixed and varying payments. In order to facilitate the calculation of the lease liabilities required under the new accounting rules, users are required to input their discount rate. Once all required financial information has been input,

the user may view the amortization schedule as calculated under ASC 840, ASC 842, IAS 17 and IFRS 16, GASB 87 and legacy GASB lease guidance.

Information associated with base rent, as described above, is a required input, but the LeaseQuery application also allows for users to maintain information on security deposits, prepaid rent, incentives and various other additional payments such as common area maintenance, utilities and taxes. If any additional items are applicable, additional required input screens are provided to the user. The user also has the option to include the appropriate general ledger account numbers.

Documents Input:

The Documents input screen allows users to upload and name executed documents (lease agreements and amendments) for storage. Uploading documents into the LeaseQuery application is optional. All documents stored within the LeaseQuery application, as well as all information uploaded, are available to authenticated users.

Approval:

After a user has completed the input of the lease and submitted the lease for approval, the approval of a second user is required to make that lease effective. The approver is required to review and approve each input screen.

Lease Accounting Validations and Reports

Control Objective 6: Controls provide reasonable assurance that the calculations that feed into the amortization schedules and standard reports are tested to determine that outputs by the application are complete and accurate based on expected outcomes.

Based on the lease data, discount rates and other relevant elections (e.g., practical expedients and policy elections) input by end users, the system generates amortization schedules to compute the relevant asset, liability and expense values under the relevant standards. Journal entries, including those required under ASC 842, ASC 840, IFRS 16, IAS 17, GASB 87, and legacy GASB lease guidance, as well as applicable transition entries, are then derived from the amortization schedules accordingly.

The application functionality driving the generation of the amortization schedules is hard coded into the application, such that any changes affecting the amortization schedules, or related calculations and ultimately journal entries derived therefrom, are subject to the full suite of LeaseQuery change and release management controls. This includes various levels of testing in which test steps are carried out across the boundaries of the system to validate that program changes do not adversely affect the operation of the application, including as they relate to calculations and standard reports. These are the primary activities by which LeaseQuery maintains the ongoing accuracy and operating effectiveness of calculations performed by the LeaseQuery application and the standard reports generated by the application.

TestQA
Once a code change has been added to the "testqa" environment, a trained testing resource will perform necessary tests to validate the changes defined in the ticket have been met by performing relevant test scenarios. Any relevant testing documentation will be included or linked to the Jira ticket documentation. If it is determined that the acceptance criteria for the ticket has not been met, then the ticket will be returned to the developer resource for revision. Once the developer has made changes, the testqa process is repeated. Once it has been determined the acceptance criteria of the ticket has been met, the code change is approved for merge to the stage environment.

Stage
Once a ticket has been verified at the testqa environment, it is then moved to the stage environment where a trained testing resource will validate that all changes continue to work as defined by the scope of the ticket. Any relevant testing documentation will be included or linked to the Jira ticket.

Once it has been determined that the acceptance criteria of the ticket has been met, the code change is approved for deployment to production.

During the stage testing process, trained testing resources will also perform regression testing in comparison to a base set of operating and capital/finance leases to ensure application stability. This includes validation of a test plan that consists of lease and application scenarios and report parameters as defined by management.

This validation testing is performed using one of the following approaches:

- Automation against the stage database on a controlled client containing a variety of lease scenarios. The automation compares the output of the specified reports to a control file that has been validated by a trained testing resource. This would notify the Quality Assurance team of any changes to the report that should be remediated before the release is pushed to the production environment.
- Any reports not covered by automation are tested manually by comparing the system output to a control file validated by a trained testing resource. Any discrepancies are resolved by the Quality Assurance team before the release is pushed to the production environment.

Production
Post deployment a trained testing resource validates a smoke test plan that consists of the core components of the application. This ensures the deployment has been completed successfully.

Additionally, LeaseQuery's problem and incident management process also complements the change management controls, as internal or external users can report issues or bugs in system functionality. System errors or defects reported through the incident management process prompt immediate responses for resolution.

Control Objectives and Related Controls

LeaseQuery control objectives and related control activities are included in both Section III (the "Description of the System") and Section IV of this report. Although the control objectives and related control activities are also included in Section IV, they are, nevertheless, an integral part of the company's description of the system. The description of the service auditors' tests of operating effectiveness and the results of those tests are also presented in Section IV.

Subservice Organization Monitoring and Complementary Subservice Organization Controls (CSOCs)

LeaseQuery's production infrastructure (servers, software, operation systems) is hosted by a third-party cloud hosting provider, AWS. The cloud hosting provider also provides various managed services for LeaseQuery including physical security, environmental controls, database redundancy, scheduled maintenance, virtual infrastructure change management and other services, as needed, under the direction of the LeaseQuery management.

LeaseQuery also stores replicated backup data at Microsoft Azure. Certain LeaseQuery control objectives can be achieved only if certain controls at the subservice organizations are suitably designed and operating effectively. In certain situations, the application of specific controls at the subservice organizations is necessary to achieve certain control objectives included in this report.

This section describes those controls that are expected to be in place and operating effectively at the subservice organizations.

Name of Subservice Organization	Description of Service(s) Provided	Related Control Objectives	CSOCs
Amazon Web Services	Various managed services including physical security, environmental controls, database redundancy, scheduled maintenance, and virtual infrastructure change management	N/A – Physical Security and Environmental Controls	• Physical access to the data centers where LeaseQuery's infrastructure resides is restricted to approved individuals and access is reviewed periodically. • Physical access points to server locations are monitored by security cameras and managed by electronic access device controls. • Data centers that house LeaseQuery infrastructure are equipped with appropriate environmental safeguards that are periodically tested and maintained. • Data centers that house LeaseQuery infrastructure utilize redundant power supply in case of electrical failure.
		2 – Logical Access to Data Files and Programs	• Firewall devices are configured to restrict access to the computing environment and enforce boundaries.
		3 – System Backup and Replications	• Systems are designed for redundancy and recoverability to mitigate the risk of interruption in service.
		1 – Change Management	• Changes to the IT resources must follow a designated change process that includes approvals and testing. • Access to perform maintenance or virtual infrastructure change management services is limited to authorized personnel.
Microsoft Azure	Storage of Replicated Backup Data	N/A – Physical Security and Environmental Controls	• Physical access to the data centers where LeaseQuery's infrastructure resides is restricted to approved individuals and access is reviewed periodically. • Physical access points to server locations are monitored by security cameras and managed by electronic access device controls. • Data centers that house LeaseQuery infrastructure are equipped with appropriate

			environmental safeguards that are periodically tested and maintained. • Data centers that house LeaseQuery infrastructure utilize redundant power supply in case of electrical failure.
		2 – Logical Access to Data Files and Programs	• Firewall devices are configured to restrict access to the computing environment and enforce boundaries.
		3 – System Backup and Replications	• Systems are designed for redundancy and recoverability to mitigate the risk of interruption in service.

Additionally, on a bi-annual basis, an evaluation of the sub-service providers' SOC reports is performed by management. Management conducts a detailed review of the report, and upon the identification of any deficiencies related to logical access, change management, or backup operations, management evaluates the deficiencies for the associated risk to the LeaseQuery, LLC control environment.

For the scope of this report, no vendors are used. However, LeaseQuery utilizes certain vendors in performing controls related to its services. Organizations that provide services to a Service Organization that are not considered subservice organizations are referred to as vendors.

COMPLEMENTARY USER ENTITY CONTROLS

LeaseQuery's services were designed with the assumption that certain policies, procedures and controls would be implemented by the user entity. In certain situations, the application of specific controls at the user entity is necessary to achieve certain control objectives included in this report. This section describes those additional policies, procedures and controls that should be in operation at the user entity to complement LeaseQuery's environment and corresponding controls. Report users should consider whether the following controls have been placed in operation at the user entity:

1. User entities should perform testing and approval of custom changes developed and deployed for individual user entities. (Control Objective – 1)
2. User entities should ensure the physical security of servers, network devices and telecommunications equipment within the user entity's facilities, including physical access restrictions, user list maintenance, and monitoring of access. (Control Objective – 2)
3. User entities are responsible for granting, modifying, and revoking access rights, including privileged access, to its internal users to the LeaseQuery application and ensuring access levels granted are appropriate based on job function. (Control Objective – 2)
4. User entities should perform a periodic review of its user access, including privileged access, to ensure that level of access remains appropriate. (Control Objective – 2)
5. User entities should ensure that complex passwords and unique user ID's are in place if SSO is enabled to access the LeaseQuery application. (Control Objective – 2)
6. User entities should ensure that controls are in place to provide LeaseQuery with data using a secure transmission path. (Control Objective – 2)
7. User entities should report any problems or issues related to the application in a timely manner. (Control Objective – 4)
8. User entities should ensure that they review outputs and notify LeaseQuery of any outstanding issues. (Control Objective – 4 and 6)
9. User entities should ensure that they validate the account settings in the LeaseQuery application, including selection of the applicable accounting standards and accounting policies. (Control Objective – 5)
10. User entities should ensure that controls are in place to provide reasonable assurance that accurate and complete lease data is input into the LeaseQuery application, including during the implementation phase. (Control Objective – 5)
11. User entities should ensure that they are adding, amending, modifying and terminating leases in the LeaseQuery application in a timely manner. (Control Objective – 5)
12. User entities are responsible for reviewing each input screen of each lease for completeness and accuracy prior to approving the lease, including for the appropriate selection of accounting treatments. (Control Objective – 5)
13. User entities should ensure that they understand the capabilities of the LeaseQuery application related to complex lease scenarios and ensuring that the system setup and inputs are correct and comprehensive for the types of data and lease requirements relevant to the user entity. (Control Objective – 5 and 6)
14. User entities should review the outputs from the LeaseQuery application for completeness and accuracy, including review of relevant accounting treatments. (Control Objective – 6)
15. User entities should validate the completeness and accuracy of system outputs and processing, including any custom reports during the implementation phase. (Control Objective – 6)
16. User entities should perform User Acceptance Testing to validate that any changes to custom reports do not adversely impact the completeness and accuracy of the reports. (Control Objective – 6)
17. User entities should perform testing and approval of custom changes developed and deployed for individual user entities. (Control Objective – 6)
18. User entities should report any problems or issues related to the LeaseQuery application in a timely manner. (Control Objective – 6)

Section IV: Information Provided by Deloitte & Touche LLP Except for Control Objectives and Controls

Section IV:
Information Provided by Deloitte & Touche LLP Except for Control Objectives and Controls

Introduction

This report on the description of the system and the suitability of design and operating effectiveness of controls is intended to provide user entities and their auditors with information sufficient to obtain an understanding of those aspects to the description of the system related to LeaseQuery, LLC Lease Management and Lease Accounting ("LeaseQuery") controls for use in a financial statement audit, and potentially reduce the assessed level of control risk below the maximum for certain financial statement assertions.

Our examination was limited to selected services identified and provided to users and accordingly did not extend to procedures in effect at user entities or other services provided by LeaseQuery. The examination was conducted in accordance with attestation standards which includes the Statement on Standards for Attestation Engagements No. 18 (SSAE 18) established by the American Institute of Certified Public Accountants. It is each user entity's responsibility to evaluate this information in relation to internal controls in place within their environment to obtain an understanding of controls and assess control risks. LeaseQuery portions of the controls must be evaluated together with the user entity's portion of controls. If effective user entity controls are not in place, LeaseQuery controls may not compensate for such weaknesses.

Control environment elements

The control environment sets the tone of an organization, influencing the control consciousness of its people. It is the foundation for other components of internal control, providing discipline and structure. In addition to the tests of operating effectiveness described in the next section, our procedures included tests of the following relevant elements of LeaseQuery's control environment:

- Integrity and Ethical Values
- Management's Philosophy and Operating Style, Assignment of Authority and Responsibility
- Human Resource Policies and Procedures
- Risk Assessment
- Monitoring
- Control Activities
- Information and Communication

Such tests included inquiry of appropriate management, supervisory, and staff personnel, inspection of documents and records, and observation of activities and operations. The results of these tests were considered in planning the nature, timing, and extent of our testing of the control activities described in this section.

Control Objectives, Controls, Tests of Operating Effectiveness, and Results of Tests

Our tests were designed to examine the LeaseQuery description of the system related to Lease Management and Lease Accounting as well as the suitability of the design and operating effectiveness of controls for a representative number of transactions throughout the period of April 1, 2020 to September 30, 2020.

In selecting particular tests of the operational effectiveness of controls, we considered the (a) the nature and frequency of the controls being tested, (b) the types of available evidential matter, (c) the nature of the control objectives to be achieved, (d) the expected efficiency and effectiveness of the test.

Testing the accuracy and completeness of information provided by LeaseQuery is also a component of the testing procedures performed. Information we utilized as evidence may have included, but was not limited to:

- Standard "out of the box" reports as configured within the system
- Parameter-driven reports generated by LeaseQuery's systems
- Custom-developed reports that are not standard to the application such as scripts, report writers, and queries
- Spreadsheets that include relevant information utilized for the performance or testing of a control
- LeaseQuery prepared analyses, schedules, or other evidence manually prepared and utilized by LeaseQuery.

While these procedures were not specifically called out in the test procedures listed in this section, they were completed as a component of our testing to support the evaluation of whether or not the information is sufficiently precise and detailed for purposes of fully testing the controls identified by LeaseQuery.

Description of Testing Procedures Performed

Our examination included inquiry of management, supervisory, and staff personnel; inspection of documents and records; observation of activities and operations; and reperformance of controls surrounding and provided by LeaseQuery. Our tests of controls were performed on controls as they existed during the period of April 1, 2020 to September 30, 2020 and were applied to those controls relating to control objectives specified by LeaseQuery.

Tests performed of the operational effectiveness of controls are described below:

Test	Description
Inquiry	Conducted detailed interviews with relevant personnel to obtain evidence that the control was in operation during the report period and is accompanied by other procedures noted below that are necessary to corroborate the information derived from the inquiry.
Observation	Observed the performance of the control multiple times throughout the report period to evidence application of the specific control activity.
Examination of documentation/Inspection	If the performance of the control is documented, inspected documents and reports indicating performance of the control.
Reperformance of monitoring activities or manual controls	Obtained documents used in the monitoring activity or manual control activity and independently reperformed the procedures. Compared any exception items identified with those identified by the responsible control owner.
Reperformance of programmed processing	Input test data, manually calculated expected results, and compared actual results of processing to expectations.

Reporting on results of testing

The concept of materiality is not applied when reporting the results of tests of controls for which deviations have been identified because Deloitte & Touche LLP does not have the ability to determine whether a deviation will be relevant to a particular user entity. Consequently, Deloitte & Touche LLP reports all deviations.

Information Provided by Independent Service Auditor Except for Control Objectives and Control Activities

System Development and Change Management
1.0 Controls provide reasonable assurance that changes to applications and critical systems are authorized, tested, properly implemented and documented.

Control Title	Control Activity	Test Procedures	Results of Tests
1.1	A source code management system is utilized to maintain the production code base and enable review of code before it is released to production.	Inspected the GitHub Source Code Repository Tool to determine whether the tool is utilized to maintain the production code base. Observed that changes cannot be deployed to production via GitHub, and that after review and approval, changes to production are deployed via another tool, Octopus Deploy (4/1/2020 through 9/12/2020) and Jenkins (9/13/2020 through 9/30/2020).	No exceptions noted.
1.2	Change requirements are defined and documented within a JIRA ticket. An authorized member of the Development team will assign the ticket to a Sprint as authorization for development to begin.	For a sample of application changes, inspected whether requirements were defined within a JIRA ticket and whether the change was assigned to a sprint by an authorized member of the Development team.	No exceptions noted.
1.3	LeaseQuery maintains separate environments for development, testing, staging and production. QA testing is performed on each change in the test environment prior to being approved to be staged for implementation to the production environment.	Inspected whether separate environments are maintained for development, testing, staging and production. For a sample of application changes, inspected the JIRA ticket to determine whether QA testing was performed prior to being approved to be staged for implementation to the production environment.	No exceptions noted.

Control Title	Control Activity	Test Procedures	Results of Tests
1.4	Trained QA personnel perform regression testing on each release prior to migration to production to determine that the changes within the release do not adversely impact certain key components of system processing, including calculations and reports. Results are documented within a regression testing spreadsheet.	Inquired with management and inspected training documentation to determine whether QA personnel are trained on relevant lease accounting standards. Inspected the job requirements for QA personnel and inquired with management to determine whether the personnel are trained to perform testing over functionality, including calculations and reports, and that testers are provided training materials related to lease accounting. For a sample of releases, inspected regression testing spreadsheets to determine whether results were captured and any steps that did not pass were investigated to resolution. For a sample of releases, inspected supporting documentation to determine whether screenshots and documentation were maintained to support results documented in the testing spreadsheet.	No exceptions noted.
1.5	Releases are approved and documented prior to being moved into production.	For sample of application changes, inspected supporting documentation and release notes to determine whether the change was documented and approved by an authorized individual as part of a release prior to being moved to production. The authorized individual shall be either the CEO or COO. This approval will continue to be evidenced by an email that is retained in the LQ files.	No exceptions noted.
1.6	After releases are migrated to production, smoke testing is performed to validate that key functionality has not been adversely impacted.	For a sample of releases, inspected smoke testing spreadsheets to determine whether results were captured and any steps that did not pass were investigated to resolution.	No exceptions noted.

Control Title	Control Activity	Test Procedures	Results of Tests
1.7	Access to develop source code is limited to authorized personnel.	Inspected the list of user accounts with administrative access to GitHub and inquired of management to determine whether the users were authorized and appropriate based upon job responsibilities.	No exceptions noted.
1.8	Access to migrate releases to the production environment is limited to authorized personnel who are segregated from users with access to develop.	Inspected the list of user accounts with access to Octopus Deploy and inquired of management to determine whether the users were authorized and appropriate based upon job responsibilities. Inspected the list of user accounts with access to Octopus Deploy and compared the listing to users with access to develop changes to determine whether segregation of duties existed. Inspected the list of user accounts with access to Jenkins and inquired of management to determine whether the users were authorized and appropriate based upon job responsibilities. Inspected the list of user accounts with access to Jenkins and compared the listing to users with access to develop changes to determine whether segregation of duties existed.	No exceptions noted.
1.9	OS patches are tested in a test environment and deployed to the production cloud environment once testing is completed.	For a sample of OS patches, inspected whether OS patches were assessed for applicability and tested in a test environment prior to being deployed to the production environment.	No exceptions noted.

Control Title	Control Activity	Test Procedures	Results of Tests
1.10	On a bi-annual basis, the System and Organization Controls (SOC) report is obtained by LeaseQuery, LLC from the sub-service providers and reviewed for change management processes. If deficiencies are identified, management evaluates the associated risk to LeaseQuery, LLC's control environment.	Inspected the bi-annual evaluation of sub-service providers' SOC reports to determine whether management reviewed the report for change management processes and, if identified, evaluated deficiencies for associated risk to the LeaseQuery, LLC control environment.	No exceptions noted.

Logical Access

2.0 Controls provide reasonable assurance that logical access to programs, systems, and data is limited to properly authorized individuals.

Control Title	Control Activity	Test Procedures	Results of Tests
2.1	Authentication to the LeaseQuery application and network requires a unique user ID and password.	Inspected the user lists for the LeaseQuery application to determine whether each user is assigned a unique user name. Observed LeaseQuery personnel log in to the LeaseQuery application and network to determine whether a password was required to authenticate.	No exceptions noted.
2.2	User access additions and changes are granted upon formal approvals by supervisors and tracked on the user access request form.	For a sample of user access additions and changes, inspected the user access request form and application listing to determine whether access was granted upon formal approval by supervisors, tracked on the user access request form and provisioned as requested.	No exceptions noted.

Control Title	Control Activity	Test Procedures	Results of Tests
2.3	A termination form is completed to review whether a terminated employee had access to the LeaseQuery application, network, infrastructure components and supporting tools. User accounts are disabled or deleted within 48 hours of separation from the company.	For a sample of terminated employees, inspected the termination form to determine whether the employee had access to the LeaseQuery system, and if so, inspected the application listing to determine whether user access was disabled or deleted within 48 hours of separation from the company.	No exceptions noted.

Control Title	Control Activity	Test Procedures	Results of Tests
2.4	Passwords for the application and network meet password strength requirements. These password strength requirements include: •Minimum character length requirements •Required inclusion of upper-case letter(s) and special symbols •Password lockouts after a specified number of failed login attempts •Mandatory periodic password changes The specific requirements are outlined in the Information Security Policy.	Inspected the Information Security Policy to determine whether password strength requirements are documented. Inspected the application configuration to determine whether the following password settings were enforced and in accordance with the Information Security Policy: •Minimum character length •Password complexity •Automatic lockout after failed login attempts •Mandatory periodic password changes Inspected the network configuration to determine whether the following password settings were enforced and in accordance with the Information Security Policy: •Minimum character length •Password complexity •Automatic lockout after failed login attempts •Mandatory periodic password changes	No exception noted.

Control Title	Control Activity	Test Procedures	Results of Tests
2.5	Administrative access rights to the application, operating system, databases and the network are restricted to authorized users based upon business needs.	Inspected the list of user accounts with administrative access to the LeaseQuery application, operating system, databases and network, and inquired of management and evaluated job titles to determine whether the users were authorized and appropriate based upon job responsibilities.	No exceptions noted.
2.6	Only authorized users can access the cloud service provider's portal and request changes to infrastructure.	Inspected the list of user accounts with administrative access to AWS's portal and inquired of management to determine whether the users were authorized and appropriate based upon job responsibilities.	No exceptions noted.
2.7	Client data is separated in the production database through the application architecture.	Inspected the application architecture to determine whether client data is separated in the production database by client ID.	No exceptions noted.
2.8	On a bi-annual basis, the System and Organization Controls (SOC) report is obtained by LeaseQuery, LLC from the sub-service providers and reviewed for logical access processes. If deficiencies are identified, management evaluates the associated risk to LeaseQuery, LLC's control environment.	Inspected the bi-annual evaluation of subservice providers' SOC reports to determine whether management reviewed the report for logical access processes and, if identified, evaluated deficiencies for associated risk to the LeaseQuery, LLC control environment.	No exceptions noted.

System Backups and Replication

3.0 Controls provide reasonable assurance that production systems and databases are backed up according to an established schedule.

Control Title	Control Activity	Test Procedures	Results of Tests
3.1	Data is replicated from the production database to a read replica database server on a real-time basis within the cloud environment.	Inspected the backup configuration settings to determine whether the database was configured to be replicated from the production database to a read replica database server on a real-time basis within the cloud environment.	No exceptions noted.
3.2	Full database backups are created on a weekly basis, and incremental backups are performed continuously.	Inspected the backup configuration settings to determine whether a full database backup was scheduled to be performed weekly and that incremental backups are performed continuously.	No exceptions noted.
3.3	On a bi-annual basis, the System and Organization Controls (SOC) report is obtained by LeaseQuery, LLC from the sub-service providers and reviewed for backup processes. If deficiencies are identified, management evaluates the associated risk to LeaseQuery, LLC's control environment.	Inspected the bi-annual evaluation of subservice providers' SOC reports to determine whether management reviewed the report for backup processes and, if identified, evaluated deficiencies for associated risk to the LeaseQuery, LLC control environment.	No exceptions noted.

Problem and Incident Management

4.0 Controls provide reasonable assurance that incidents are documented, tracked and resolved in a timely manner.

Control Title	Control Activity	Test Procedures	Results of Tests
4.1	Problems and incidents are documented and managed using the incident management process. Incidents are tracked and resolved by Operations and Security personnel in a timely manner.	For a sample of problems and incidents, inspected the supporting ZenDesk ticket to determine whether issues were documented and resolved in a timely manner.	No exceptions noted.

Lease Accounting Data Inputs

5.0 Controls provide reasonable assurance that data required for lease accounting transaction processing, recording and reporting is input completely and accurately.

Control Title	Control Activity	Test Procedures	Results of Tests
5.1	The system requires that users populate general lease information required for processing before the user may proceed to the dates input screen while creating a lease entry.	Observed a user attempt to proceed to the dates input screen without populating the following required general lease information to determine whether edit checks caused error messages to appear on the users' screen and prevent further processing: •Lease type (operating or capital) •Designation as a lessee or lessor •Classification of the lease (land, building equipment, vehicle, other) •Complete address	No exceptions noted.

Control Title	Control Activity	Test Procedures	Results of Tests
5.2	The system requires that users populate the date fields required for processing before the user may proceed to the tasks input screen while creating a lease entry.	Observed a user attempt to proceed to the tasks input screen without populating the following required date fields to determine whether edit checks caused error messages to appear on the user's screen and prevent further processing: •Possession date •Lease end date	No exceptions noted.
5.3	The system requires that users input the financial information required for processing before the user may proceed to the contacts and documents input screen while creating a lease entry.	Observed a user attempt to proceed to the contacts and document input screen without populating the following required financial information to determine whether edit checks caused error messages to appear on the user's screen and prevent further processing: Base rent amount Base rent payment frequency Last payment date Borrowing rate	No exceptions noted.
5.4	The LeaseQuery application requires that a user, other than the user who originally entered the lease information, approve each input screen for a new lease before the lease becomes effective and reports and entries can be produced or exported.	The LeaseQuery application requires that a user, other than the user who originally entered the lease information, approve each input screen for a new lease before the lease becomes effective and reports and entries can be produced or exported.	No exceptions noted.

Control Title	Control Activity	Test Procedures	Results of Tests
5.5	The system allows users to populate mass upload spreadsheet templates with required information related to general lease information, date fields and financial information prior to passing through to the system. If required fields are missing in the spreadsheet, the user is alerted, and processing is stopped.	Observed a user attempt to upload a new lease via a spreadsheet template without completing required general information to determine whether edit checks caused error messages to appear on the users' screen and prevent further processing. Observed a user attempt to upload a new lease via a spreadsheet template without completing required date information to determine whether edit checks caused error messages to appear on the user's screen and prevent further processing. Observed a user attempt to upload a new lease via a spreadsheet template without completing required financial information to determine whether edit checks caused error messages to appear on the user's screen and prevent further processing.	No exceptions noted.

Lease Accounting Validations and Reports

6.0 Controls provide reasonable assurance that the calculations that feed into the amortization schedules and standard reports are tested to determine that outputs by the application are complete and accurate based on expected outcomes.

Control Title	Control Activity	Test Procedures	Results of Tests
6.1	Prior to each release, regression testing procedures are performed on a base set of existing leases with expected transactions, as defined by management, to determine that outputs by the system agree with the base set of lease transactions and its respective results. If a variance is identified, the application team investigates the matter to determine if a correction is necessary. Upon completion of the testing procedures, test results are reviewed/approved by a designated quality assurance analyst.	For a sample of releases, inspected regression testing spreadsheets to determine whether testing results of system outputs were reconciled to the base set of lease transactions and any variances were investigated and the testing was approved.	No exceptions noted.
6.2	Prior to each release, regression testing procedures are performed on a base set of existing reports with expected results, as defined by management, to determine that outputs by the application agree with the base set of reports and its respective results. If a variance is identified, the application team investigates the matter to determine if a correction to the report is necessary. Upon completion of the testing procedures, test results are reviewed/approved by a designated quality assurance analyst.	For a sample of releases, inspected regression testing spreadsheets to determine whether testing results of system reports were reconciled to the base set of reports and any variances were investigated and the testing was approved.	No exceptions noted.

Section V: Other Information Provided by the Service Organization

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The following has been provided by LeaseQuery for informational purposes only and has not been subjected to the procedures applied in the examination. Accordingly, Deloitte & Touche LLP expresses no opinion on the following information.

Security Incident Response

LeaseQuery has developed an integrated Security Incident Response Plan, which is incorporated by reference into LeaseQuery's Information Security Policy.

The Security Incident Response Plan defines a "security incident" and delegates to the Chief Information Security Officer the responsibility for initiating and managing the plan in the context of a live security incident.

The Security Incident Response Plan establishes a cross-functional response team comprised of professionals from all appropriate business functions, including information technology, legal, human resources, public relations, operations, including executive management representation. The Security Incident Response Plan establishes a "call tree" with alternative contacts in the event the primary designated members of the response team cannot be reached.

The Security Incident Response Plan contains written procedures for escalating and containing the incident as well as documenting the response. Following the initial response, the Security Incident Response Plan includes additional procedures regarding after-the-fact analysis, investigation, mitigation and correction, and third-party notification.

Disaster Recovery

Analogous to the Security Incident Response Plan, LeaseQuery has developed a written Disaster Recovery Plan for business continuity purposes, which is also incorporated into the Information Security Policy. The Disaster Recovery Plan is managed by the Company's Chief Operating Officer and is designed to facilitate the resumption of business operations efficiently following a disaster (which results in the inability of LeaseQuery or its personnel to perform all or some of their services, regular roles and responsibilities for a period of time).

A disaster is not necessarily related to a security event, but depending on the circumstances, both the Security Incident Response Plan and the Disaster Recovery Plan could be initiated simultaneously in connection with the same event.

The Disaster Recovery Plan also establishes a cross-functional response team comprised of professionals from all appropriate business functions, with secondary and potentially tertiary contacts in the event the primary members of the response team are unavailable.

The Disaster Recovery Plan includes preventative (business continuity) measures governing matters such as, without limitation, implementation of a "cloud-by-design" philosophy to reduce reliance on a single network or information technology infrastructure, backup, archival and redundancy safeguards, and a pre-established evacuation plan.

The Disaster Recovery Plan contains instructions regarding contacting emergency responders, conducting safety check-in procedures, activating the plan, communicating with personnel, contacting appropriate third parties, documenting the response, as well as after-the-fact procedures for investigating and assessing the event and response and taking any legal action, if appropriate.