



## System and Organization Controls 2 (SOC 2) Type 2

Report on controls placed in operation at iRely, LLC  
relevant to Security, Availability, and Confidentiality and the suitability of the design  
and operating effectiveness of its controls

For the Period May 1, 2023 to October 31, 2023



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## **SECTION ONE**

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### Independent Service Auditor's Report



## INDEPENDENT SERVICE AUDITOR'S REPORT

To the Management of iRely, LLC  
Fort Wayne, IN

### Scope

We have examined iRely, LLC's ("Service Organization" or "iRely") accompanying description of its Solutions System found in Section 3 titled "iRely, LLC's Description of its Solutions System" throughout the period May 1, 2023 to October 31, 2023 (description) based on the criteria for a description of a service organization's system set forth in *DC 200, 2018 Description Criteria for a Description of a Service Organization's System in a SOC 2® Report* (AICPA, Description Criteria), (description criteria) and the suitability of the design and operating effectiveness of controls stated in the description throughout the period May 1, 2023 to October 31, 2023, to provide reasonable assurance that iRely's service commitments and system requirements were achieved based on the trust services criteria relevant to Security, Availability, and Confidentiality (applicable trust services criteria) set forth in *TSP 100, 2017 Trust Services Criteria for Security, Availability, Processing Integrity, Confidentiality, and Privacy* (AICPA, Trust Services Criteria).

iRely uses a subservice organization to provide cloud hosting services. The description indicates that complementary subservice organization controls that are suitably designed and operating effectively are necessary, along with controls at iRely, to achieve iRely's service commitments and system requirements based on the applicable trust services criteria. The description presents iRely's controls, the applicable trust services criteria, and the types of complementary subservice organization controls assumed in the design of iRely's controls. The description does not disclose the actual controls at the subservice organization. Our examination did not include the services provided by the subservice organization, and we have not evaluated the suitability of the design or operating effectiveness of such complementary subservice organization controls.

The description indicates that certain complementary user entity controls that are suitably designed and operating effectively are necessary, along with controls at iRely, to achieve iRely's service commitments and system requirements based on the applicable trust services criteria. The description presents iRely's controls, the applicable trust services criteria, and the complementary user entity controls assumed in the design of iRely's controls. Our examination did not include such complementary user entity controls and we have not evaluated the suitability of the design or operating effectiveness of such controls.

### Service Organization's Responsibilities

iRely 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 iRely's service commitments and system requirements were achieved. In Section

2, iRely has provided the accompanying assertion titled, "Assertion of iRely, LLC Management" (assertion) about the description and the suitability of design and operating effectiveness of controls stated therein. iRely is also responsible for preparing the description and assertion, including the completeness, accuracy, and method of presentation of the description and assertion; providing the services covered by the description; selecting the applicable trust services criteria and stating the related controls in the description; and identifying the risks that threaten the achievement of the service organization's service commitments and system requirements.

### **Service Auditor's Responsibilities**

Our responsibility is to express an opinion on the description and on the suitability of design and operating effectiveness of controls 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. Those standards require that we plan and perform our examination to obtain reasonable assurance about whether, in all material respects, the description is presented in accordance with the description criteria and the controls stated therein were suitably designed and operated effectively to provide reasonable assurance that the service organization's service commitments and system requirements were achieved based on the applicable trust services criteria. 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:

- Obtaining an understanding of the system and the service organization's service commitments and system requirements.
- Assessing the risks that the description is not presented in accordance with the description criteria and that controls were not suitably designed or did not operate effectively.
- Performing procedures to obtain evidence about whether the description is presented in accordance with the description criteria.
- Performing procedures to obtain evidence about whether controls stated in the description were suitably designed to provide reasonable assurance that the service organization achieved its service commitments and system requirements based on the applicable trust services criteria.
- Testing the operating effectiveness of controls stated in the description to provide reasonable assurance that the service organization achieved its service commitments and system requirements based on the applicable trust services criteria.
- Evaluating the overall presentation of the description.

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

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

### **Inherent Limitations**

The description is prepared to meet the common needs of a broad range of report users and may not, therefore, include every aspect of the system that individual report users may consider important to meet their informational needs. There are inherent limitations in 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 are achieved based on the applicable trust services criteria. Also, the projection to the future of any conclusions about the suitability of the design or operating 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.

### **Description of Tests of Controls**

The specific controls we tested and the nature, timing, and results of those tests are listed in Section 4, "Trust Services Criteria, Related Controls and Tests of Controls" of this report.

### **Opinion**

In our opinion, in all material respects:

- a. the description presents iRely's Solutions System that was designed and implemented throughout the period May 1, 2023 to October 31, 2023 in accordance with the description criteria.
- b. the controls stated in the description were suitably designed throughout the period May 1, 2023 to October 31, 2023 to provide reasonable assurance that iRely's service commitments and system requirements would be achieved based on the applicable trust services criteria, if its controls operated effectively throughout that period, and if the subservice organization and user entities applied the complementary controls assumed in the design of iRely's controls throughout that period.
- c. the controls stated in the description operated effectively throughout the period May 1, 2023 to October 31, 2023 to provide reasonable assurance that iRely's service commitments and system requirements were achieved based on the applicable trust services criteria, if complementary subservice organization controls and complementary user entity controls assumed in the design of iRely's controls operated effectively throughout that period.

### **Restricted Use**

This report, including the description of tests of controls and results thereof in Section 4, is intended solely for the information and use of iRely, user entities of iRely's Solutions System during some or all of the period May 1, 2023 to October 31, 2023, business partners of iRely subject to risks arising from interactions with the Solutions System, practitioners providing

services to such user entities and business partners, prospective user entities and business partners, and regulators who have sufficient knowledge and understanding of the following:

- The nature of the service provided by the service organization.
- How the service organization's system interacts with user entities, business partners, subservice organization, and other parties.
- Internal control and its limitations.
- Complementary user entity controls and complementary subservice organization controls and how those controls interact with the controls at the service organization to achieve the service organization's service commitments and system requirements.
- User entity responsibilities and how they may affect the user entity's ability to effectively use the service organization's services.
- The applicable trust services criteria.
- The risks that may threaten the achievement of the service organization's service commitments and system requirements and how controls address those risks.

This report is not intended to be, and should not be, used by anyone other than the specified parties.

*CyberGuard Compliance, LLP*

Las Vegas, NV

January 3, 2024



## **SECTION TWO**

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Assertion of iRely, LLC Management





## ASSERTION OF IRELY, LLC MANAGEMENT

January 3, 2024

### Scope

We have prepared the accompanying description of iRely, LLC's ("Service Organization" or "iRely") Solutions System titled "iRely, LLC's Description of its Solutions System" throughout the period May 1, 2023 to October 31, 2023 (description) based on the criteria for a description of a service organization's system set forth in *DC 200, 2018 Description Criteria for a Description of a Service Organization's System in a SOC 2® Report* (AICPA, *Description Criteria*), (description criteria). The description is intended to provide report users with information about the Solutions System that may be useful when assessing the risks arising from interactions with iRely's system, particularly information about system controls that iRely has designed, implemented, and operated to provide reasonable assurance that its service commitments and system requirements were achieved based on the trust services criteria relevant to Security, Availability, and Confidentiality (applicable trust services criteria) set forth in *TSP 100, 2017 Trust Services Criteria for Security, Availability, Processing Integrity, Confidentiality, and Privacy* (AICPA, *Trust Services Criteria*).

iRely uses a subservice organization to provide cloud hosting services. The description indicates that complementary subservice organization controls that are suitably designed and operating effectively are necessary, along with controls at iRely, to achieve iRely's service commitments and system requirements based on the applicable trust services criteria. The description presents iRely's controls, the applicable trust services criteria, and the types of complementary subservice organization controls assumed in the design of iRely's controls. The description does not disclose the actual controls at the subservice organization.

The description indicates that complementary user entity controls that are suitably designed and operating effectively are necessary, along with controls at iRely, to achieve iRely's service commitments and system requirements based on the applicable trust services criteria. The description presents the service organization's controls, the applicable trust services criteria, and the complementary user entity controls assumed in the design of the service organization's controls.

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

- 1) The description presents iRely's Solutions System that was designed and implemented throughout the period May 1, 2023 to October 31, 2023 in accordance with the description criteria.
- 2) The controls stated in the description were suitably designed throughout the period May 1, 2023 to October 31, 2023 to provide reasonable assurance that iRely's service

commitments and system requirements would be achieved based on the applicable trust services criteria, if its controls operated effectively throughout that period, and if the subservice organization and user entities applied the complementary controls assumed in the design of iRely's controls throughout that period.

- 3) The controls stated in the description operated effectively throughout the period May 1, 2023 to October 31, 2023 to provide reasonable assurance that iRely's service commitments and system requirements were achieved based on the applicable trust services criteria, if complementary subservice organization controls and complementary user entity controls assumed in the design of iRely's controls operated effectively throughout that period.

*iRely, LLC*