August 5, 2010

To: Q1 Labs US/Canada Utility Customers

The purpose of this letter is to provide information to Q1 Labs' utility customers regarding certain security features in our SIEM product, QRadar.

QRadar is a security appliance built on Linux that has been designed to resist attacks. QRadar is not intended as a multi-user, general-purpose server; it has been designed and developed specifically to support its intended functions. The operating system is stripped down and all services configured for secure operation. It has a built-in firewall, only allows administrative access through a secure connection requiring encrypted and authenticated access, and provides controlled upgrades/updates. QRadar does not require or support traditional anti-virus/malware agents, nor does it inherently enforce password complexity for any QRadar user account or root shell account, which are required for general-purpose use of servers and operating systems. QRadar access must be restricted to trusted security administration personnel who have been trained in selection of strong password, regular password changes, and proper handling of passwords. Customers can optionally integrate QRadar with PAM and Microsoft Active Directory or RADIUS to inherit the password policy enforcement of those 3rd party applications.

Please note that the statements in this letter are merely intended to provide information regarding the features of Q1 Labs' products, and do not constitute any warranty or binding obligation. Any such binding obligations will be contained in a mutually acceptable written agreement between the two parties.

Sincerely,

[Signature]
Christopher M. Poulin
Chief Security Officer