



**SYSTEM AND ORGANIZATION CONTROL  
REPORT (SOC 2) RELEVANT TO SECURITY  
ON SYSTEM DESCRIPTION AND ON THE  
SUITABILITY OF DESIGN AND OPERATING  
EFFECTIVENESS OF ITS CONTROLS (TYPE 2)**

**FOR THE PERIOD  
SEPTEMBER 1, 2021 TO NOVEMBER 30, 2021**



## Pioneer-360

### Table of Contents

<b><u>Section</u></b>	<b><u>Description</u></b>	<b><u>Page</u></b>
<b>I</b>	<b>Independent Service Auditors' Report Provided by Maloney + Novotny LLC</b>	<b>1-4</b>
<b>II</b>	<b>Assertion of the Management of Pioneer-360</b>	<b>5-6</b>
<b>III</b>	<b>Pioneer-360's Description of its Financial Services Managed IT and Security System throughout the period September 1, 2021 to November 30, 2021</b>	<b>7-23</b>
<b>IV</b>	<b>Trust Principles, Criteria and Related Controls and Independent Service Auditors' Tests of Controls and Results of Tests</b>	<b>24-63</b>

This report is intended solely for use by the management of Pioneer-360, user entities of Pioneer-360's services, and other parties who have sufficient knowledge and understanding of Pioneer-360's services covered by this report (each referred to herein as a "specified user").

If report recipient is not a specified user (herein referred to as a "non-specified user"), use of this report is the non-specified user's sole responsibility and at the non-specified user's sole and exclusive risk. Non-specified users may not rely on this report and do not acquire any rights against Maloney + Novotny LLC as a result of such access. Further, Maloney + Novotny LLC does not assume any duties or obligations to any non-specified user who obtains this report and/or has access to it.

Unauthorized use, reproduction or distribution of this report, in whole or in part, is strictly prohibited.

**I. INDEPENDENT SERVICE AUDITORS' REPORT  
PROVIDED BY MALONEY + NOVOTNY LLC**

## Independent Service Auditors' Report

To: Management of Pioneer-360  
New Philadelphia, OH

### Scope

We have examined Pioneer-360's accompanying description titled "Pioneer-360's Description of its Financial Services Managed IT and Security System throughout the period September 1, 2021 to November 30, 2021" (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 September 1, 2021 to November 30, 2021, to provide reasonable assurance that Pioneer-360's service commitments and system requirements were achieved based on the trust services criteria relevant to security (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)*.

The description indicates that certain complementary user entity controls that are suitably designed and operating effectively are necessary, along with controls at Pioneer-360, to achieve Pioneer-360's service commitments and system requirements based on the applicable trust services criteria. The description presents Pioneer-360's controls, the applicable trust services criteria, and the complementary user entity controls assumed in the design of Pioneer-360'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.

Pioneer-360 uses subservice organizations as described in Section III. The description indicates that complementary subservice organization controls that are suitably designed and operating effectively are necessary, along with controls at Pioneer-360, to achieve Pioneer-360's service commitments and system requirements based on the applicable trust services criteria. The description presents Pioneer-360's controls, the applicable trust services criteria, and the types of complementary subservice organization controls assumed in the design of Pioneer-360's controls. The description does not disclose the actual controls at the subservice organizations. Our examination did not include the services provided by the subservice organizations, and we have not evaluated the suitability of the design or operating effectiveness of such complementary subservice organization controls.

### **Service Organization's Responsibilities**

Pioneer-360 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 Pioneer-360's service commitments and system requirements were achieved. In Section II, Pioneer-360 has provided the accompanying assertion titled "Assertion of the Management of Pioneer-360" (assertion) about the description and the suitability of design and operating effectiveness of controls stated therein. Pioneer-360 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 Auditors' 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.

### **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 IV of this report.

### **Opinion**

In our opinion, in all material respects—

- a. the description presents Pioneer-360's Financial Services Managed IT and Security System that was designed and implemented throughout the period September 1, 2021 to November 30, 2021 in accordance with the description criteria.
- b. the controls stated in the description were suitably designed throughout the period September 1, 2021 to November 30, 2021 to provide reasonable assurance that Pioneer-360'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 organizations and user entities applied the complementary controls assumed in the design of Pioneer-360's controls throughout that period.
- c. the controls stated in the description operated effectively throughout the period September 1, 2021 to November 30, 2021 to provide reasonable assurance that Pioneer-360'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 Pioneer-360's controls operated effectively throughout that period.



## 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 Pioneer-360, user entities of Pioneer-360's Financial Services Managed IT and Security System during some or all of the period September 1, 2021 to November 30, 2021, business partners of Pioneer-360 subject to risks arising from interactions with the Financial Services Managed IT and Security 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 organizations, 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.

*Meloney + Novotny LLC*

Canton, Ohio  
January 12, 2022

