Salesforce.com Comments on the November 15, 2010 Australian Prudential Regulation Authority's Open Letter on Cloud Computing

The Australian Prudential Regulation Authority's (APRA) open letter about the need for financial organizations to follow proper risk and governance processes for all outsourcing and off shoring arrangements, including cloud computing, is a welcome development that signals a new era for the IT industry in Australia. The letter is an acknowledgement that Australian financial services institutions are rapidly adopting cloud computing -- just like their counterparts in North America, Europe and other parts of Asia – and need to be judicious in their deployment of cloud services.

APRA's guidance will help assure that as the Australian financial services industry moves to the cloud it adopts best practices for IT continuity, confidentiality, integrity, and compliance with legislative and prudential requirements. Importantly, APRA's guidance represents best practice for any IT system, regardless of location or whether it is on-premise, outsourced or cloud-based.

Adoption of cloud computing should begin with a thorough examination of security and governance issues. It is necessary to demonstrate that cloud services are not only secure against unauthorized intruders, but also can offer significant benefits in such areas as managing user access and audits. As business and government leaders assess their IT risks and responsibilities, they are increasingly recognizing that robust cloud computing solutions combine superior performance with superior protection.

Salesforce.com takes its mission of being a trusted cloud service provider for its customers very seriously. Integral to this mission is complying with applicable laws, including those related to privacy and data protection, and providing a secure infrastructure to host its customers' data. Salesforce.com provides its customers with an audited, aggressively tested IT environment that reflects its customers' highest security standards. By meeting the security requirements of its most demanding customers and then delivering that same level of security to every single customer on its platform, salesforce.com delivers a trusted cloud environment.

Over the past 12 years, Salesforce.com has earned the trust of more than 87,200 customers around the world, including thousands of financial services, government and security organisations like Citibank, Japan Post, Sun Trust Bank, and Symantec.

Salesforce.com adheres to stringent security standards and is certified in compliance with ISO27001, SAS70 Type II and Systrust. Salesforce.com is audited semi-annually and conducts regular 3rd party penetration testing.

Salesforce.com's globally dispersed data centers provide superior protection against even large-scale regional disasters. The salesforce.com service performs real-time replication to disk at each data center, and near real-time data replication between the production data center and the disaster recovery centre. All data is backed up to tape at each data center, on a rotating schedule of incremental and full backups. The backups are cloned over secure

links to a secure tape archive. The tapes are never transported offsite and are destroyed when retired.

Salesforce.com believes that success is built on trust, and trust starts with transparency. Salesforce.com posts real-time information on its system's performance and security at trust.salesforce.com, which has set a standard of transparency that has since been taken up by other cloud providers including Google.

Salesforce.com complies with the Australian Privacy Act's National Privacy Principles in provisioning and operating its services and is willing to enter into contracts with its customers to certify its compliance with applicable data privacy laws and with the US-EU Safe Harbor privacy framework. Further, salesforce.com seeks to facilitate its customers' compliance with applicable laws by offering a robust set of customer-controlled security options that its customers may utilize in their deployments. These customer-controlled security settings include a granular sharing model, limiting the range of IP addresses from which a customers' designated users may login to salesforce.com services, and customer-defined password rules and automatic log-off times.

Salesforce.com welcomes APRA's recent guidance on cloud computing as an important step towards implementing robust cloud solutions for the Australian financial services industry. Salesforce.com is committed to the success of its customers, and to providing continued industry leadership to make the cloud "the new normal" for the enterprise.