

Apptec Corporation's FTP Hosting serve many firms within the medical industry that fall under HIPAA regulations. We are sensitive to HIPAA compliance issues. Many medical transcription companies, hospitals, and doctor's offices use our FTP Hosting to transfer voice and text files on a daily basis.

Our FTP Hosting offers multiple safeguards to HIPAA sensitive customers, including:

- 1. Our FTP Hosting servers are all located in highly secure data centers, thereby making it impossible for equipment (such as a hard drive containing medical data) to be stolen.
- 2. FTP username and password is required. Our servers do not accept Anonymous-FTP connections.
- 3. We proactively monitor and react to intrusion attempts into our systems through the use of a sophisticated Intrusion Detection System (IDS) and multiple operating system level security tools.
- 4. No copies of your files reside on any offsite or long-term storage media. Your data is only backed up nightly for disaster recovery purposes. No tapes are used and this data never leaves the building. In addition, backups are overwritten the next day.

## Disclaimers:

- Our FTP Hosting is not considered a "covered entity" or a "HIPAA Business Associate" and is not itself subject to HIPAA regulations. The official HIPAA agency website references FTP Hosting like ours as NOT being business associates:
  - http://www.hhs.gov/ocr/privacy/hipaa/understanding/coveredentities/businessassociates.html
    Where it states: "Other Situations in Which a Business Associate Contract Is NOT Required: With a person
    or organization that acts merely as a conduit for protected health information, for example, the US Postal
    Service, certain private couriers, and their electronic equivalents."
- 2. Our FTP Hosting is considered "HIPAA Ready," and should meet your needs of HIPAA compliance.