

January 11, 2023, 2:30 PM PST

*PortaOne Provides Comments on the Upcoming Report by Citizen Lab*

On January 10, 2023, PortaOne was contacted by CBC for comment on a report being released on January 12, 2023, by Professor Deibert of Citizen Lab of the University of Toronto. CBC did not provide PortaOne with a copy of the report but advised it asserts our products and/or services are being used by the Iranian authorities to intercept calls. CBC provided PortaOne with a letter dated January 4, 2023, to PortaOne from Professor Deibert requesting comments on his report.

PortaOne had not received the letter from Prof. Deibert, and was not aware of his report prior to being contacted by CBC. So that we could provide a meaningful response, we asked Prof. Deibert to provide a copy of the report and the documents relied on therein concerning PortaOne. We did not receive a response from Prof. Deibert despite the fact the report was provided to CBC and other media organizations.

We are a business founded by Ukrainian immigrants, with a significant base of operations in Ukraine and hundreds of employees who have greatly suffered as a result of Putin's criminal attack on Ukraine, including Russia's use of Iranian drones. We have not, and will not provide any products or services to or for use in or by Iran, including Iran's telephone company, Ariantel.

We are proud to have a well-established due diligence process for ensuring that PortaOne does not violate international sanctions or assist authoritarian regimes. For example, immediately upon Putin's invasion of Ukraine in February, 2022, we terminated provision of products and services to Russian companies and cooperation with Russian technology companies.

PortaOne develops and provides two products and professional services therefore:

- (1) PortaBilling, which is a telecom billing system. It manages customer information, calculates charges, and produces invoices. It does not process or interfere in any way with actual calls or other communications by customers. Customer profiles in the PortaBilling system do include a "Legal Intercept" flag, which may be set to indicate that a user is subject to legal surveillance. This flag was implemented in about 2005 to comply with United States Communications Assistance for Law Enforcement Act (CALEA). This is a purely informative flag. It does not enable or implement actual call interception or surveillance.
- (2) PortaSIP, a Voice over IP (VoIP) system. It allows calls to be made between VoIP users and interface with a traditional phone system. It does not have any legal intercept / surveillance functionality, and cannot be used to process cellular network calls.

As we have not been provided with a copy of Professor Deibert's report or the emails said to have been relied on by him, we cannot comment on any specific assertions in the report. With respect to the assertion that PortaOne

supplied or supplies products or services to Iran used to intercept calls, this is categorically false. In fact, as a result of its vigilance, PortaOne prevented the sale of its software to an Iranian entity.

In 2018 and 2019, a sales manager, on his own initiative, engaged in business discussions with Ariantel, acting through Telesol, regarding PortaOne's products. However, the license agreement for this deal submitted by the sales manager for approval by PortaOne's management in September, 2019, was not with Ariantel, but with a Portuguese company.

On October 23, 2019, PortaOne received the first and only payment under this contract, which did not come from the Portuguese company, but from an unrelated entity. An immediate investigation by senior management revealed that the Portuguese company was a front for Ariantel. On October 28, 2019, PortaOne returned the payment and, on November 8, 2019, formally cancelled the contract with the Portuguese company, de-activated software license keys, and demanded that the company immediately uninstall, remove and/or delete any and all software downloaded from PortaOne.

PortaOne had not completed any integration services for the software supplied to the Portuguese company. We have since had no involvement whatsoever with or supplied products or services to this Portuguese company, Ariantel, Telsinol, or any other Iranian company or entity. Consequently, any suggestion that PortaOne has supplied software to Ariantel or to any other Iranian entity which is used to intercept or surveil calls in Iran is false.

A map on our website illustrating the geographic span of our customer base formerly mistakenly combined Iraq, where we have customers, and Iran, where we do not have any customers. That map has since been corrected.

PortaOne fully supports all efforts to prevent human rights abuses by authoritarian regimes, and we appreciate the work being done by Citizen Lab. We look forward to receiving Prof. Deibert's report.

