



For more information contact:
Roy Slicker
Pegasus Disk Technologies, Inc.
(925) 314-1800
marketing@pegasus-afs.com

PEGASUS AND EVERTRUST ANNOUNCE THE FIRST TIERED CAS SOLUTION FOR DISK AND OPTICAL IN THE ARCHIVE AND COMPLIANCE MARKETS

Security Requirements, Privacy Laws, and Compliance Regulations can Now be Addressed in a Tiered Storage Environment Including Online and Offline Media

San Ramon, CA and Montreal, Quebec – September 12, 2005 Evertrust™, a developer of storage software to meet compliance and security regulations, and Pegasus, a leading software company specializing in archive management solutions for Optical, CD and DVD devices, announced a partnership to deliver a storage solution for long term retention, management, protection and disposition of fixed content/reference information. The product, InveStoreACE™, will be marketed through Pegasus channels and will address the requirements of major compliance regulations - in particular security and privacy laws (SEC 17a-4, HIPAA, Canadian and European data privacy regulations, California SB 1386, etc.).

Pegasus' storage management software, InveStore®, has over 14,000 customers and is sold through major OEMs, ISV developers and integrators, who incorporate it into document imaging, information and lifecycle management solutions primarily in the financial and healthcare markets. Pegasus will now offer Evertrust's Assureon™ capabilities to its customers through a non-disruptive simple upgrade to InveStore. Evertrust's Assureon software is marketed through a series of OEM relationships in the storage industry.

"Optical has long been the media for compliance archiving. Products such as EMC Centera have raised the bar in the archiving market by offering more features on a disk-based platform, and now InveStoreACE will raise it even higher. ACE offers integration with disk either as an



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integrated online cache or with external storage arrays, encryption of data at rest for both online or offline media, disposition at the file level regardless of where the media is stored, along with internal auditing capabilities to meet multiple compliance regulations,” according to Roy Slicker, CEO and President of Pegasus. “Integrating Evertrust’s Assureon technology with InveStore provides our clients with the most secure and comprehensive solution to meet their long term archiving needs.”

“Our goal was to develop a simple, transparent integrated solution. Because InveStore provides transparent file system access to its customers, integrating Assureon at that point makes implementation very straight forward. Customers of InveStore don’t do anything differently,” said Thomas Gosnell, CEO of Evertrust. “The combined solution, InveStoreACE will reside on an appliance with internal disk for caching, retention policies (retention date, encryption, etc.) will be set up by an administrator, and files are written to both internal disk and optical media. Based on policies set, the files will be eliminated from the cache, but remain on optical storage till the end of the retention period.”

Assureon uses a combination of cryptographic processes to ensure the security of a company’s archived files. Dual cryptographic hashing algorithms (SHA-1 and MD5) guarantees that files have not been changed, digital time stamping of the file’s metadata protects the authenticity of the file (when was it created) and AES-256 encryption (Advanced Encryption Standard) protects the information against hackers or loss of offline media. “In today’s world, WORM (Write Once Read Many) media alone is not enough to safeguard a company’s information, meet good corporate governance practices or address compliance regulations,” said Slicker.



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InveStoreACE provides unique capabilities to optical library users. A traditional drawback of offline media storage is the inability to selectively delete files at the end of their retention period. In order to delete a file, the entire optical disk or tape needs to be destroyed. Because InveStoreACE offers AES encryption, every encrypted file has a unique encryption key. At the end of a file's retention period, all copies of the file, regardless of location, can be destroyed by crypto-shredding. InveStoreACE will scrub the file if it is on disk and also scrubs the file's unique encryption key, rendering the file virtually destroyed.

InveStoreACE supports every major optical library (Plasmon, Hewlett Packard, Sony, IBM, ASACA, DISC etc.) and through Pegasus' relationship with Symantec/Veritas, support will be available for Enterprise Vault and NetBackup for critical archive and compliance information.

InveStoreACE will ship within 30 days and be available through Pegasus' authorized resellers.

About Pegasus Disk Technologies, Inc.

Pegasus Disk Technologies, Inc., headquartered in San Ramon, CA develops archive management software for Optical, CD and DVD devices from leading manufacturers. Founded in 1988, Pegasus has developed long-term strategic partnerships with leading developer ISVs and OEMs that use its products to manage storage devices within their applications. Pegasus is located at 2333 San Ramon Valley Blvd., San Ramon, California, 94583 and can be reached by phone at (925) 314-1800, by fax at (925) 314-1801 or on the World Wide Web at www.pegasus-afs.com.

About Evertrust

Evertrust, headquartered in Montreal, Canada with offices in Northern California and Denver, was founded to research and develop technology for the authentication, secure management, encryption and disposition of digital assets for long-term storage. Enterprises are now meeting government compliance regulations, corporate governance standards and privacy laws for record retention with Evertrust solutions. Evertrust is a wholly owned subsidiary of Nexsan Technologies. For more information please contact Evertrust at (925) 284-4303 or visit our Web site at www.evertrust.com.

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