Virtual Private Networking Basics
This chapter describes the intended audience, scope, conventions, and formats of this manual.

**Audience, Scope, Conventions, and Formats**

This manual assumes that the reader has basic to intermediate computer and Internet skills. However, basic computer network, Internet, and firewall technologies tutorial information is provided on the NETGEAR Web site.

This manual uses the following typographical conventions:

**Table 1-1. Typographical Conventions**

| **italic** | Emphasis, books, CDs, URL names |
| **bold** | User input |
| **fixed font** | Screen text, file and server names, extensions, commands, IP addresses |

This manual uses the following formats to highlight special messages:

- **Note:** This format is used to highlight information of importance or special interest.

- **Tip:** This format is used to highlight a procedure that will save time or resources.
How to Use this Manual

The HTML version of this manual includes the following:

- Buttons, ➤ and ◀, for browsing forwards or backwards through the manual one page at a time
- A table of contents button that displays the table of contents. Double-click on a link in the table of contents to navigate directly to where the topic is described in the manual.
- A button to access the full NETGEAR, Inc. online knowledge base for the product model.
- Links to PDF versions of the full manual and individual chapters.

How to Print this Manual

To print this manual you can choose one of the following several options, according to your needs.

- **Printing a Page in the HTML View.**
  
  Each page in the HTML version of the manual is dedicated to a major topic. Use the *Print* button on the browser toolbar to print the page contents.

- **Printing a Chapter.**
  
  Use the *PDF of This Chapter* link at the top left of any page.
  
  — Click the “*PDF of This Chapter*” link at the top right of any page in the chapter you want to print. The PDF version of the chapter you were viewing opens in a browser window.
  
  — Your computer must have the free Adobe Acrobat reader installed in order to view and print PDF files. The Acrobat reader is available on the Adobe Web site at [http://www.adobe.com](http://www.adobe.com).
  
  — Click the print icon in the upper left of the window.

  **Tip:** If your printer supports printing two pages on a single sheet of paper, you can save paper and printer ink by selecting this feature.
• **Printing the Full Manual.**

Use the *Complete PDF Manual* link at the top left of any page.

— Click the *Complete PDF Manual* link at the top left of any page in the manual. The PDF version of the complete manual opens in a browser window.

— Click the print icon in the upper left of the window.

| Tip: | If your printer supports printing two pages on a single sheet of paper, you can save paper and printer ink by selecting this feature. |
What is a Virtual Private Network?

There have been many improvements in the Internet including Quality of Service, network performance, and inexpensive technologies, such as DSL. But one of the most important advances has been in Virtual Private Networking (VPN) Internet Protocol security (IPSec). IPSec is one of the most complete, secure, and commercially available, standards-based protocols developed for transporting data.

A VPN is a shared network where private data is segmented from other traffic so that only the intended recipient has access. The term VPN was originally used to describe a secure connection over the Internet. Today, however, VPN is also used to describe private networks, such as Frame Relay, Asynchronous Transfer Mode (ATM), and Multiprotocol Label Switching (MPLS).

A key aspect of data security is that the data flowing across the network is protected by encryption technologies. Private networks lack data security, which can allow data attackers to tap directly into the network and read the data. IPSec-based VPNs use encryption to provide data security, which increases the network’s resistance to data tampering or theft.

IPSec-based VPNs can be created over any type of IP network, including the Internet, Frame Relay, ATM, and MPLS, but only the Internet is ubiquitous and inexpensive.

VPNs are traditionally used for:

- **Intranets**: Intranets connect an organization’s locations. These locations range from the headquarters offices, to branch offices, to a remote employee’s home. Often this connectivity is used for e-mail and for sharing applications and files. While Frame Relay, ATM, and MPLS accomplish these tasks, the shortcomings of each limits connectivity. The cost of connecting home users is also very expensive compared to Internet-access technologies, such as DSL or cable. Because of this, organizations are moving their networks to the Internet, which is inexpensive, and using IPSec to create these networks.
• **Remote Access:** Remote access enables telecommuters and mobile workers to access e-mail and business applications. A dial-up connection to an organization’s modem pool is one method of access for remote workers, but it is expensive because the organization must pay the associated long distance telephone and service costs. Remote access VPNs greatly reduce expenses by enabling mobile workers to dial a local Internet connection and then set up a secure IPSec-based VPN communications to their organization.

• **Extranets:** Extranets are secure connections between two or more organizations. Common uses for extranets include supply-chain management, development partnerships, and subscription services. These undertakings can be difficult using legacy network technologies due to connection costs, time delays, and access availability. IPSec-based VPNs are ideal for extranet connections. IPSec-capable devices can be quickly and inexpensively installed on existing Internet connections.

**What Is IPSec and How Does It Work?**

IPSec is an Internet Engineering Task Force (IETF) standard suite of protocols that provides data authentication, integrity, and confidentiality as data is transferred between communication points across IP networks. IPSec provides data security at the IP packet level. A packet is a data bundle that is organized for transmission across a network, and it includes a header and payload (the data in the packet). IPSec emerged as a viable network security standard because enterprises wanted to ensure that data could be securely transmitted over the Internet. IPSec protects against possible security exposures by protecting data while in transit.

**IPSec Security Features**

IPSec is the most secure method commercially available for connecting network sites. IPSec was designed to provide the following security features when transferring packets across networks:

• **Authentication:** Verifies that the packet received is actually from the claimed sender.

• **Integrity:** Ensures that the contents of the packet did not change in transit.

• **Confidentiality:** Conceals the message content through encryption.
IPSec Components

IPSec contains the following elements:

- **Encapsulating Security Payload (ESP):** Provides confidentiality, authentication, and integrity.
- **Authentication Header (AH):** Provides authentication and integrity.
- **Internet Key Exchange (IKE):** Provides key management and Security Association (SA) management.

Encapsulating Security Payload (ESP)

ESP provides authentication, integrity, and confidentiality, which protect against data tampering and, most importantly, provide message content protection.

IPSec provides an open framework for implementing industry standard algorithms, such as SHA and MD5. The algorithms IPSec uses produce a unique and unforgeable identifier for each packet, which is a data equivalent of a fingerprint. This fingerprint allows the device to determine if a packet has been tampered with. Furthermore, packets that are not authenticated are discarded and not delivered to the intended receiver.

ESP also provides all encryption services in IPSec. Encryption translates a readable message into an unreadable format to hide the message content. The opposite process, called decryption, translates the message content from an unreadable format to a readable message. Encryption/decryption allows only the sender and the authorized receiver to read the data. In addition, ESP has an option to perform authentication, called ESP authentication. Using ESP authentication, ESP provides authentication and integrity for the payload and not for the IP header.

![Original Packet](Image)

![Packet with IPSec Encapsulating Security Payload (ESP)](Image)

**Figure 2-1**
The ESP header is inserted into the packet between the IP header and any subsequent packet contents. However, because ESP encrypts the data, the payload is changed. ESP does not encrypt the ESP header, nor does it encrypt the ESP authentication.

**Authentication Header (AH)**

AH provides authentication and integrity, which protect against data tampering, using the same algorithms as ESP. AH also provides optional anti-replay protection, which protects against unauthorized retransmission of packets. The authentication header is inserted into the packet between the IP header and any subsequent packet contents. The payload is not touched.

Although AH protects the packet’s origin, destination, and contents from being tampered with, the identity of the sender and receiver is known. In addition, AH does not protect the data’s confidentiality. If data is intercepted and only AH is used, the message contents can be read. ESP protects data confidentiality. For added protection in certain cases, AH and ESP can be used together. In the following table, IP HDR represents the IP header and includes both source and destination IP addresses.

![Original Packet](image)

<table>
<thead>
<tr>
<th>IP HDR</th>
<th>TCP</th>
<th>Data</th>
</tr>
</thead>
</table>

![Packet with IPSec Authentication Header](image)

<table>
<thead>
<tr>
<th>IP HDR</th>
<th>AH</th>
<th>TCP</th>
<th>Data</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

![Authenticated](image)

**Security Association**

IPSec introduces the concept of the Security Association (SA). An SA is a logical connection between two devices transferring data. An SA provides data protection for unidirectional traffic by using the defined IPSec protocols. An IPSec tunnel typically consists of two unidirectional SAs, which together provide a protected, full-duplex data channel.

The SAs allow an enterprise to control exactly what resources may communicate securely, according to security policy. To do this an enterprise can set up multiple SAs to enable multiple secure VPNs, as well as define SAs within the VPN to support different departments and business partners.
Mode

SAs operate using modes. A mode is the method in which the IPSec protocol is applied to the packet. IPSec can be used in tunnel mode or transport mode. Typically, the tunnel mode is used for gateway-to-gateway IPSec tunnel protection, but transport mode is used for host-to-host IPSec tunnel protection. A gateway is a device that monitors and manages incoming and outgoing network traffic and routes the traffic accordingly. A host is a device that sends and receives network traffic.

- **Transport Mode:** The transport mode IPSec implementation encapsulates only the packet’s payload. The IP header is not changed. After the packet is processed with IPSec, the new IP packet contains the old IP header (with the source and destination IP addresses unchanged) and the processed packet payload. Transport mode does not shield the information in the IP header; therefore, an attacker can learn where the packet is coming from and where it is going to. Figure 2-1 and Figure 2-2 above show a packet in transport mode.

- **Tunnel Mode:** The tunnel mode IPSec implementation encapsulates the entire IP packet. The entire packet becomes the payload of the packet that is processed with IPSec. A new IP header is created that contains the two IPSec gateway addresses. The gateways perform the encapsulation/decapsulation on behalf of the hosts. Tunnel mode ESP prevents an attacker from analyzing the data and deciphering it, as well as knowing who the packet is from and where it is going.

| Note: | AH and ESP can be used in both transport mode and tunnel mode. |

*Figure 2-3*
Key Management

IPSec uses the Internet Key Exchange (IKE) protocol to facilitate and automate the SA setup and the exchange of keys between parties transferring data. Using keys ensures that only the sender and receiver of a message can access it.

IPSec requires that keys be re-created, or refreshed, frequently so that the parties can communicate securely with each other. IKE manages the process of refreshing keys; however, a user can control the key strength and the refresh frequency. Refreshing keys on a regular basis ensures data confidentiality between sender and receiver.

Understand the Process Before You Begin

This manual provides examples of how to configure a secure IPSec VPN tunnel. This document assumes the reader has a working knowledge of NETGEAR management systems.

NETGEAR, Inc. is a member of the VPN Consortium, a group formed to facilitate IPSec VPN vendor interoperability. The VPN Consortium has developed specific scenarios to aid system administrators in the often confusing process of connecting two different vendor implementations of the IPSec standard. The examples in this manual follow the addressing and configuration mechanics defined by the VPN Consortium. Additional information regarding inter-vendor interoperability may be found at http://www.vpnc.org/interop.html.

It is a good idea to gather all the necessary information required to establish a VPN before you begin the configuration process. You should understand whether the firmware is up-to-date, all of the addresses that will be necessary, and all of the parameters that need to be set on both sides. Try to understand any incompatibilities before you begin, so that you minimize any potential complications which may arise from normal firewall or WAN processes.

If you are not a full-time system administrator, it is a good idea to familiarize yourself with the mechanics of a VPN. The brief description below in this document will help. Other good sources include:

- The NETGEAR VPN Tutorial – http://www.netgear.com/planetvpn/pvpn_2.html
- The VPN Consortium – http://www.vpnc.org/
- The VPN bibliography in Additional Reading on page 2-12.
VPN Process Overview

Even though IPSec is standards-based, each vendor has its own set of terms and procedures for implementing the standard. Because of these differences, it may be a good idea to review some of the terms and the generic processes for connecting two gateways before diving into the specifics.

Network Interfaces and Addresses

The VPN gateway is aptly named because it functions as a “gatekeeper” for each of the computers connected on the Local Area Network behind it.

In most cases, each gateway will have a “public” facing address (WAN side) and a “private” facing address (LAN side). These addresses are referred to as the “network interface” in documentation regarding the construction of VPN communication. Please note that the addresses used in the example.

Interface Addressing

This document uses example addresses provided the VPN Consortium. It is important to understand that you will be using addresses specific to the devices that you are attempting to connect via IPSec VPN.

Figure 2-4

It is also important to make sure the addresses do not overlap or conflict. That is, each set of addresses should be separate and distinct.
It will also be important to know the subnet mask of both gateway LAN Connections. Use the worksheet in Appendix A to gather the necessary address and subnet mask information to aid in the configuration and troubleshooting process.

### Table 2-1. WAN (Internet/Public) and LAN (Internal/Private) Addressing

<table>
<thead>
<tr>
<th>Gateway</th>
<th>LAN or WAN</th>
<th>VPNC Example Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gateway A</td>
<td>LAN (Private)</td>
<td>10.5.6.1</td>
</tr>
<tr>
<td>Gateway A</td>
<td>WAN (Public)</td>
<td>14.15.16.17</td>
</tr>
<tr>
<td>Gateway B</td>
<td>LAN (Private)</td>
<td>22.23.24.25</td>
</tr>
<tr>
<td>Gateway B</td>
<td>WAN (Public)</td>
<td>172.23.9.1</td>
</tr>
</tbody>
</table>

### Table 2-2. Subnet Addressing

<table>
<thead>
<tr>
<th>Gateway</th>
<th>LAN or WAN</th>
<th>Interface Name</th>
<th>Example Subnet Mask</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gateway A</td>
<td>LAN (Private)</td>
<td>Subnet Mask A</td>
<td>255.255.255.0</td>
</tr>
<tr>
<td>Gateway B</td>
<td>LAN (Private)</td>
<td>Subnet Mask B</td>
<td>255.255.255.0</td>
</tr>
</tbody>
</table>

### Firewalls

It is important to understand that many gateways are also firewalls. VPN tunnels cannot function properly if firewall settings disallow all incoming traffic. Please refer to the firewall instructions for both gateways to understand how to open specific protocols, ports, and addresses that you intend to allow.
Setting Up a VPN Tunnel Between Gateways

An SA, frequently called a tunnel, is the set of information that allows two entities (networks, PCs, routers, firewalls, gateways) to “trust each other” and communicate securely as they pass information over the Internet.

![VPN Tunnel Diagram](image)

**Figure 2-5**

The SA contains all the information necessary for Gateway A to negotiate a secure and encrypted communication stream with Gateway B. This communication is often referred to as a “tunnel.” The gateways contain this information so that it does not have to be loaded onto every computer connected to the gateways.
Each gateway must negotiate its Security Association with another gateway using the parameters and processes established by IPSec. As illustrated below, the most common method of accomplishing this process is via the Internet Key Exchange (IKE) protocol which automates some of the negotiation procedures. Alternatively, you can configure your gateways using manual key exchange, which involves manually configuring each parameter on both gateways.

![Diagram of IPSec Security Association IKE VPN Tunnel Negotiation Steps]

**Figure 2-6**

The **IPSec software on Host A initiates the IPSec process in an attempt to communicate with Host B.** The two computers then begin the Internet Key Exchange (IKE) process.

**IKE Phase I.**

- a. The two parties negotiate the encryption and authentication algorithms to use in the IKE SAs.
- b. The two parties authenticate each other using a predetermined mechanism, such as preshared keys or digital certificates.
- c. A shared master key is generated by the Diffie-Hellman Public key algorithm within the IKE framework for the two parties. The master key is also used in the second phase to derive IPSec keys for the SAs.

**IKE Phase II.**

- a. The two parties negotiate the encryption and authentication algorithms to use in the IPSec SAs.
- b. The master key is used to derive the IPSec keys for the SAs. Once the SA keys are created and exchanged, the IPSec SAs are ready to protect user data between the two VPN gateways.
Data transfer. Data is transferred between IPSec peers based on the IPSec parameters and keys stored in the SA database.

IPSec tunnel termination. IPSec SAs terminate through deletion or by timing out.

**VPNC IKE Security Parameters**

It is important to remember that both gateways must have the identical parameters set for the process to work correctly. The settings in these examples follow the examples given for Scenario 1 of the VPN Consortium.

**VPNC IKE Phase I Parameters**

The IKE Phase 1 parameters used:

- Main mode
- TripleDES
- SHA-1
- MODP group 1
- pre-shared secret of "hr5xb84l6aa9r6"
- SA lifetime of 28800 seconds (eight hours)

**VPNC IKE Phase II Parameters**

The IKE Phase 2 parameters used in Scenario 1 are:

- TripleDES
- SHA-1
- ESP tunnel mode
- MODP group 1
- Perfect forward secrecy for rekeying
- SA lifetime of 28800 seconds (one hour)
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Testing and Troubleshooting

Once you have completed the VPN configuration steps you can use computers, which are located behind each of the gateways, to ping various addresses on the LAN-side of the other gateway.

You can troubleshoot connections using the VPN status and log details on the NETGEAR gateway to determine if IKE negotiation is working. Common problems encountered in setting up VPNs include:

- Parameters may be configured differently on Gateway A vs. Gateway B.
- Two LANs set up with similar or overlapping addressing schemes.
- So many required configuration parameters mean errors such as mistyped information or mismatched parameter selections on either side are more likely to happen.

Additional Reading


Relevant RFCs listed numerically:


Appendix A
Worksheet

Record Your Internet Connection Information

Print these pages. Fill in the configuration parameters from your Internet Service Provider (ISP).

ISP Login Name: The login name and password are case sensitive and must be entered exactly as given by your ISP. Some ISPs use your full e-mail address as the login name. The Service Name is not required by all ISPs. If you connect using a login name and password, enter the following:

Login Name: ______________________________
Password: ______________________________
Service Name: _____________________________

Fixed or Static IP Address: If you have a static IP address, record the following information. For example, 169.254.141.148 could be a valid IP address.

Fixed or Static Internet IP Address: ______ ______ ______
Gateway IP Address: ______ ______ ______
Subnet Mask: ______ ______ ______

ISP DNS Server Addresses: If you were given DNS server addresses, fill in the following:

Primary DNS Server IP Address: ______ ______ ______
Secondary DNS Server IP Address: ______ ______ ______

Host and Domain Names: Some ISPs use a specific host or domain name like CCA7324–A or home. If you have not been given host or domain names, you can use the following examples as a guide:

• If your main e-mail account with your ISP is aaa@xxx.yyy.com, then use aaa as your host name. Your ISP might call this your account, user, host, or system name.
• If your ISP’s mail server is mail.xxx.yyy.com, then use xxx.yyy.com as the domain name.

ISP Host Name: _____________________________ISP Domain Name: _____________________________

For Wireless Access: See the configuration worksheet in the Resource Manual for your NETGEAR wireless equipment.