

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER M93730-7100	PURCHASING AUTHORITY NUMBER (If Applicable) EDD-7100
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1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME
Employment Development Department

CONTRACTOR NAME
California e-Recording Transaction Network Authority

2. The term of this Agreement is:

START DATE
July 1, 2023 or upon final approval

THROUGH END DATE
June 30, 2026

3. The maximum amount of this Agreement is:
\$29,250.00 (Twenty-Nine Thousand Two Hundred Fifty Dollars and Zero Cents)

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

Exhibits	Title	Pages
Exhibit A	Scope of Work	4
Attachment A-1	Technical Specifications	3
Attachment A-2	Notice of State Tax Lien	1
Exhibit B	Budget Detail and Payment Provisions	2
Exhibit C*	General Terms and Conditions GTC 11-2022	
Exhibit D	EDD Special Terms and Conditions	1
Exhibit E	EDD Protection of Confidentiality	3
Attachment E-1	EDD Confidentiality Statement	2
Attachment E-2	EDD Indemnity Agreement	1
Exhibit F	CeRTNA Special Terms and Conditions	1

Items shown with an asterisk (), are hereby incorporated by reference and made part of this agreement as if attached hereto.*

These documents can be viewed at <https://www.dgs.ca.gov/OLS/Resources>

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)
California e-Recording Transaction Network Authority (CERTNA)

CONTRACTOR BUSINESS ADDRESS 701 Ocean Street, Room 230	CITY Santa Cruz	STATE CA	ZIP 95060
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PRINTED NAME OF PERSON SIGNING Richard Sherman	TITLE Strategic Operations Director
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CONTRACTOR AUTHORIZED SIGNATURE	DATE SIGNED
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STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

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AGREEMENT NUMBER M93730-7100	PURCHASING AUTHORITY NUMBER (If Applicable) EDD-7100
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STATE OF CALIFORNIA

CONTRACTING AGENCY NAME Employment Development Department				
CONTRACTING AGENCY ADDRESS 722 Capitol Mall, MIC 62-C		CITY Sacramento	STATE CA	ZIP 95814
PRINTED NAME OF PERSON SIGNING Karen Harlan		TITLE Manager, Contract Services Group		
CONTRACTING AGENCY AUTHORIZED SIGNATURE		DATE SIGNED		
CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL		EXEMPTION (If Applicable) DGS Exemption Letter No. 54.6		

**EXHIBIT A
SCOPE OF WORK
(Standard Agreement)**

SCOPE OF WORK

This Agreement is entered into by and between the Employment Development Department (EDD) and the California e-Recording Transaction Network Authority (CeRTNA), a Joint Powers Authority. It sets forth the terms and conditions of the EDD's use of the CeRTNA Government to Government e-Recording Transaction Network (G2G). The CeRTNA G2G shall consist of the EDD's release and transmittal of electronic liens, Abstract of Judgment and Acknowledgment of Satisfaction of Judgment information through the CeRTNA G2G system, and to the County Recorder Offices of any and all counties served by CeRTNA.

I. PURPOSE

To automate the lien filing, Abstract of Judgment and Acknowledgment of Satisfaction of Judgment recording process, the EDD agrees to provide for the delivery of digital electronic records that are lien instruments of real estate and real personal property transactions, subject to specific conditions, including system certification, regulation, and oversight by the G2G Program.

The CeRTNA agrees to accept the delivery of lien, Abstract of Judgment and Acknowledgment of Satisfaction of Judgment information in encrypted form and to send it, in encrypted form, to the designated and proper County Recorder's Office, where it will be de-encrypted for purposes of recordation. The CeRTNA agrees to return the recording documents to the EDD. All files sent through the G2G system will remain encrypted during the entire transmission process.

II. LEGAL AUTHORITY

The EDD is authorized by section 27391 of the Government Code (GC) to apply a perfected and enforceable State Tax Lien pursuant to the Unemployment Insurance Code (UIC). The EDD is authorized to electronically record liens in California counties pursuant to section 27279 of the GC and is authorized to provide information pursuant to sections 322, 1095(u), 1379.5, 1816, and 2739.1 of the CUIC, sections 7171 (c) (1) and 23002 of the GC, and section 1798.24 of the Code of Civil Procedures (CCP) Abstract of Judgments: section 1379.5 of the CUIC, section 674 of the CCP and Acknowledgment of Satisfaction of Judgments: UI section 1379.6 of the CUIC, DI section 2739.2 (a) of the CUIC, and sections 724.010 (a) and 724.050 of the CCP.

Section 27391 (b) of the GC allows the county recorder to contract with State government for the delivery of electronic recording documents. The contract may provide for the delivery of documents by an agent. For this contract the agent is CeRTNA.

Pursuant to section 6103.8 of the GC, the CeRTNA may charge a fee for the recording of a full lien release. The fees for recording full releases are prescribed by section 27361.3 of the GC.

III. TERM

The term of the Agreement is July 1, 2023 through June 30, 2026.

**EXHIBIT A
SCOPE OF WORK
(Standard Agreement)**

IV. Contract Representatives:

EDD

Maureen Martin
Budget & Contract Analyst
Tax Support Division, Tax Branch
P.O. Box 826880, MIC 93
Sacramento, CA 94280-0001
Phone: (916) 653-6910
Email: TAXBOG@edd.ca.gov

CeRTNA

Richard Sherman
Strategic Operations Director
701 Ocean Street, Room 230
Santa Cruz, CA 95060
Phone: (714) 400-8188
Email: exec@CERTNA.com

Program Contracts: The program contacts during the term of this Agreement shall be:

EDD (Tax Liens)

Name: Oksana Dumanska
Tax Administrator I
Address: PO Box 826880, MIC 93
Sacramento, CA 94280-0001
Phone: 916-464-2669
E-mail: TaxLienGroupRequests@edd.ca.gov

CeRTNA

Richard Sherman
Strategic Operations Director
701 Ocean Street, Room 230
Santa Cruz, CA 95060
Phone: (714) 400-8188
Email: exec@certna.com

EDD (Business Questions – Abstract of Judgment)

Name: Andres Cacho
Tax Administrator I
Address: PO Box 826880, MIC 93
Sacramento, CA 94280-0001
Phone: 916-809-5988
E-mail: Andres.Cacho@edd.ca.gov

CeRTNA

Richard Sherman
Strategic Operations Director
701 Ocean Street, Room 230
Santa Cruz, CA 95060
Phone: (714) 400-8188
Email: exec@certna.com

Disclosure and/or security: Any issues should be directed to:

EDD

Name: Ivy Carey
Tax Administrator I
Address: PO Box 826880, MIC 93
Sacramento, CA 94280-0001
Phone: (916) 654-5715
E-mail: taxtsddisclosureoffice@edd.ca.gov

CeRTNA

Richard Sherman
Strategic Operations Director
701 Ocean Street, Room 230
Santa Cruz, CA 95060
Phone: (714) 400-8188
Email: exec@certna.com

**EXHIBIT A
SCOPE OF WORK
(Standard Agreement)**

V. EDD and CeRTNA Rights and Responsibilities

1. EDD Rights and Responsibilities are as follows:
 - a. The EDD agrees to provide the CeRTNA electronically stored lien, Abstract of Judgment and Acknowledgment of Satisfaction of Judgment documents via secure connection, for the purposes of recordation with the aforementioned County Recorder Offices.
 - b. The EDD is wholly responsible for the submission of documents. The EDD agrees to abide by the procedures for G2G as set forth by the CeRTNA. The CeRTNA reserves the right to modify its own procedures at any time, and a copy of any revised procedures will be provided to the EDD.
2. CeRTNA Rights and Responsibilities are as follows:
 - a. It shall be the responsibility of the CeRTNA, on behalf of the EDD, to submit county liens and amendments of liens, to submit the release of liens and erroneous release of liens, Abstract of Judgment and Acknowledgment of Satisfaction of Judgment, and to receive recording information on all data submitted.
 - b. The CeRTNA shall transmit lien, Abstract of Judgment and Acknowledgment of Satisfaction of Judgment data, submitted by the EDD, within two working days.
 - c. The CeRTNA shall submit back to the EDD the recorded document within one business day not including holidays.
 - d. The CeRTNA shall retain lien, Abstract of Judgment and Acknowledgment of Satisfaction of Judgment data submitted by the EDD for 30 days before purging such data.
 - e. Access to the G2G software shall be governed by an authentication system approved and maintained by the CeRTNA. All administrative access to the authentication system shall be restricted to the CeRTNA employees only. The EDD and any agents of the EDD shall not perform any authentication administration.
 - f. The CeRTNA retains ownership of the G2G software and is responsible for any modifications, upgrades, or enhancements. The CeRTNA shall provide the EDD access to G2G on an as-is basis. The EDD may remit suggestions for enhancements to CERTNA.
 - g. The CeRTNA alone has final authority on the functionality, enhancements, or upgrades of the G2G software.

**EXHIBIT A
SCOPE OF WORK
(Standard Agreement)**

- h. The EDD is expressly prohibited from making any software/hardware modification to the G2G system without written consent of CeRTNA.
- i. The CeRTNA may terminate access to G2G, or any part thereof, or may terminate access of any authorized submitter, or any authorized staff, at any time it deems it necessary to protect G2G, to protect the public interest, to protect the integrity of public records, or to protect homeowners or real property owners from financial harm. No cause of action or liability against CeRTNA or any government agency shall arise from any decision of CeRTNA to terminate or deny access of any person or entity to G2G.
- j. Except for the access of confidential information in unencrypted form, the CeRTNA shall have the absolute right to review and audit any aspect of the G2G system, security, all records, books, papers, documents, and other pertinent items as requested, and shall have absolute right to monitor the performance of the EDD in the delivery of services provided under this Agreement. The EDD shall give full cooperation, in any auditing or monitoring conducted. The EDD shall cooperate with the CeRTNA in the implementation, monitoring and evaluation of this Agreement and comply with any and all reporting requirements established by CeRTNA. All records pertaining to services under this Agreement shall be available for examination and audit by the CeRTNA representatives for a period of not less than one year.
- k. The CeRTNA may charge the EDD for documents relating to the release of liens only. The fees for recording full releases are prescribed by section 27361.3 of the GC, which sets the fee at two times the fee charged to record the first page of a lien, encumbrance, or notice. Neither the county nor the CeRTNA may charge the maximum fee for recording the same full release

VI. Confidentiality

- a. Both parties to this Agreement agree to protect confidential and sensitive information from loss and unauthorized access, use, modification, disclosure or destruction. Both parties agree to comply with the provisions of Exhibit E and the EDD Standard Confidentiality Agreement. The CeRTNA will be referred to as "The EDD Data Recipient" in Exhibit E.
- b. This Agreement does not include the exchange of Federal Tax Information (FTI) from the Internal Revenue Service. Access to FTI is restricted from this Agreement by section 6103 (d) of the Internal Revenue Code.

**ATTACHMENT A-1
TECHNICAL SPECIFICATIONS
(Standard Agreement)**

TECHNICAL SPECIFICATIONS – EDD/CeRTNA

This exhibit describes the technical specifications of the CeRTNA interface. All payloads will be encrypted with 1024-bit PKCS#7 encryption. All connections between the CeRTNA and the EDD or between the CeRTNA and counties will be established by authenticating with a pre-defined username and password, and will be encrypted using a 1024-bit digital certificate. The CeRTNA will be responsible for certificate management and distribution.

Data from the EDD to the counties will be transmitted as follows:

1. The EDD will build an XML document containing an image of the lien document and associated index information.
2. The EDD will establish a secure connection to the CeRTNA servers to facilitate transmission of lien data.
3. The EDD will encrypt the data and will transmit to the CeRTNA over the secure connection.
4. The CeRTNA will receive the encrypted XML document, and will decrypt and perform business rule validation on the submission. Invalid submissions will be rejected immediately.
5. Once the XML document has passed validation, it will be encrypted and stored on the CeRTNA servers until the recipient county requests it.
6. When a county requests new liens, the CeRTNA servers will encrypt the requested data and transmit to the county, where it is decrypted and available for user in their internal systems.

Data from counties to the EDD will be transmitted as follows:

1. The county will establish a secure connection to the CeRTNA servers to facilitate transmission of recording information to the CeRTNA.
2. The county will encrypt the data and will transmit to the CeRTNA over the secure connection.
3. The CeRTNA will receive the encrypted recording information, and will decrypt and perform business rule validation on the submission. Invalid submissions will be rejected immediately.
4. Once the recording information has passed validation, it will be encrypted and stored on the CeRTNA servers until the EDD requests it.
5. The EDD will establish a secure connection to the CeRTNA servers to facilitate receipt of recording information.
6. The CeRTNA will encrypt the data and will transmit to the EDD over the secure connection.
7. The EDD will receive the recording information and will store it in their internal systems (Accounting and Compliance Enterprise System).

The following data elements will be transferred within the CeRTNA Standard XML structure, along with any CeRTNA Standard XML required elements:

Data Elements for the liens provided from the EDD to County:

- Lien Identifier

**ATTACHMENT A-1
TECHNICAL SPECIFICATIONS
(Standard Agreement)**

- Lien Type
- Transmittal Date
- Original Lien Recording Information (if extending)
- County
- Debtor Legal Individual Name
- Debtor Legal Business Name
- Additional Data Elements visible on the Lien Document Image:
 - Debtor Address
 - Last four digits of SSN for each Debtor
 - Filing Periods included in Lien
 - Tax, Penalty, Interest, Cost and Balance Owed

Data Elements for the liens provided from County to the EDD:

- Recording Number
- Recorded Date
- Reject Information (if applicable)
- Fees Charged

Data Elements for the Abstracts provided from the EDD to County:

- BCN
- Case Number
- Transmittal Date
- Claimant Name
- Additional Data Elements visible on the document Image:
 - Claimant Address
 - Claimants Last four digits of SSN (XXX-XX-5555)
 - Summary of Judgement Date
 - Summary of Judgement Balance

Data Elements for the Satisfactions provided from the EDD to County:

- BCN
- Case Number
- Transmittal Date
- Original Recording Information (on Renewals only)
- Claimant Name
- Additional Data Elements visible on the document Image:
 - Claimant Address
 - Claimants Last four digits of SSN (XXX-XX-5555)
 - Summary of Judgement Date
 - Summary of Judgement Balance
- Court Name
- Court Address
- Record County
- Abstract Recorded Date

**ATTACHMENT A-1
TECHNICAL SPECIFICATIONS
(Standard Agreement)**

- Abstract Recorded Number

Data Elements for the abstracts and satisfactions provided from County to the EDD:

- Recording Number
- Recorded Date
- Reject Information (if applicable)
- Fees Charged (Lien Release Fee on Satisfaction only)

The CeRTNA will purge all data older than 30 days and will destroy retired physical storage media.

RECORDING REQUESTED BY:
STATE OF CALIFORNIA
Employment Development Department
(866) 564-4228

WHEN RECORDED MAIL TO:
STATE OF CALIFORNIA
Employment Development Department
LIEN GROUP, MIC 92G
PO BOX 826880
SACRAMENTO, CA 94280-0001

**ATTACHMENT A-2
Notice of State Tax Lien
(Standard Agreement)**

NOTICE OF STATE TAX LIEN

(Filed pursuant to Section 7171 of the Government Code)

SALLY SMITH
MICHAEL JOHNSON
J & J LIMITED
MIKE'S BIKES
300 J ST
SACRAMENTO CA 95814-2210

XXXXXX1111
XXXXXX3805
XXXXXX1111

Secretary of State

Letter ID. L0891666432

Certificate No. G1504051200

TAX PERIOD	TAX	PENALTY	INTEREST	TOTAL
01/01/2009 to 03/31/2009	\$8,500.00	\$8.00	\$0.00	\$8,508.00

Interest calculated through 06/17/2010

The Director of the Employment Development Department hereby certifies the above is liable to the State of California for amounts due and required to be paid as determined under the provisions of the California Unemployment Insurance Code, the Revenue and Taxation Code, or both.

THE AMOUNT OF DELINQUENCY ABOVE SET FORTH SHALL BE A LIEN UPON ALL REAL OR PERSONAL PROPERTY AND RIGHTS TO SUCH PROPERTY, INCLUDING ALL AFTER-ACQUIRED PROPERTY AND RIGHTS TO PROPERTY BELONGING TO THE ABOVE NAMED.

Date: 06/17/2010
At Sacramento, California



The Director of the Employment Development Department has complied with all provisions of the California Unemployment Insurance Code in the computation and levy of the amount assessed and has caused this notice of lien to be issued by a duly authorized representative.

By IMG

Authorized Representative
This agency has adopted the use of a
facsimile signature as affixed above.

EXHIBIT B
BUDGET DETAIL AND PAYMENT PROVISIONS
(Standard Agreement)

I. BUDGET DETAIL AND PAYMENT PROVISIONS

1. Upon completion of the foregoing in a satisfactory manner, EDD shall pay **Twenty-Nine Thousand Two Hundred Fifty Dollars and Zero Cents (\$29,250.00)**, an amount equal to the latter's cost of performance, based on Exhibit B, Rates.
2. Invoices shall include the Contract Number M93730-7100, the period in which the work was performed, the amount of the invoice, and shall be submitted in triplicate, not more frequently than quarterly, in arrears to:

Employment Development Department
Accounting Section, MIC 70
P.O. Box 826217
Sacramento, CA 94230-6217

3. The EDD shall submit payment to the address below. Payment must reference the CeRTNA invoice number and the M93730-7100 Contract number.

California e-Recording Transaction Network Authority
c/o Kern County Recorder
1115 Truxtun Avenue, 3rd Floor
Bakersfield, CA 93301

4. The EDD shall submit payment for services rendered at the rates specified in this Agreement. Payments must be received within 90 calendar days of receipt of invoice.

II. BUDGET CONTINGENCY CLAUSE

It is mutually understood between the parties that this Agreement may have been written before ascertaining the availability of congressional and legislative appropriation of funds, for the mutual benefit of both parties, in order to avoid program and fiscal delays which would occur if the Agreement were executed after that determination was made.

This Agreement is valid and enforceable only if (1) sufficient funds are made available by the State Budget Act of the appropriate State Fiscal Year(s) covered by this Agreement for the purposes of this program; and (2) sufficient funds are made available to the State by the United States Government or by the State of California for the Fiscal Year(s) covered by this Agreement for the purposes of this program. In addition, this Agreement is subject to any additional restrictions, limitations or conditions established by the United States Government and/or the State of California, or any statute enacted by the Congress and Legislature, which may affect the provisions, terms or funding of the Agreement in any manner.

**EXHIBIT B
BUDGET DETAIL AND PAYMENT PROVISIONS
(Standard Agreement)**

The parties mutually agree that if the Congress and/or Legislature does not appropriate sufficient funds for the program, this Agreement shall be amended to reflect any reduction in funds.

The EDD has the option to terminate the Agreement under the 30-day termination clause or to amend the Agreement to reflect any reduction of funds.

III. PAYMENTS CLAUSE

Nothing herein contained shall preclude advance payments, pursuant to Title 2, Division 3, Part 1, Chapter 3, Article 1 of the Government Code.

IV. RATES

The maximum amount of this contract has been computed based on the following rate structure of seventy-five cents (\$0.75) per document fee of valid lien releases:

STATE FISCAL YEAR (SFY)	FORMULA	COST
SFY 2023/2024	13,000 X \$0.75	\$9,750.00
SFY 2024/2025	13,000 X \$0.75	\$9,750.00
SFY 2025/2026	13,000 X \$0.75	\$9,750.00
TOTAL CONTRACT		\$29,250.00

It is understood and agreed upon by both the EDD and the CeRTNA, that the EDD will not be charged a fee of any kind for the recordation of erroneous lien releases.

EXHIBIT D
EDD SPECIAL TERMS AND CONDITIONS
(Standard Agreement)

1. **Force Majeure**

Neither party shall be liable to the other for any delay in or failure of performance, nor shall any such delay in or failure of performance constitute default, if such delay or failure is caused by "Force Majeure." As used in this section, "Force Majeure" is defined as follows: Acts of war and riots, and acts of god such as earthquakes, floods, pandemics and other natural disasters, such that performance is impossible.

2. **Workforce Innovation and Opportunity Act**

The Contractor agrees to conform to nondiscrimination provisions of the Workforce Innovation and Opportunity Act (WIOA) and other federal nondiscrimination requirements as referenced in 29 CFR, parts 37 and 38.

3. **Termination**

This Agreement may be terminated by either party by giving written notice 30 days' prior to the effective date of such termination.

4. **Settlement of Disputes**

Any dispute concerning a question of fact arising under the term of this Agreement which is not disposed of within a reasonable period of time (ten days) by the Contractor and State employees normally responsible for the administration of this contract shall be brought to the attention of the Chief Executive Officer (or designated representative) of each organization for joint resolution.

5. **Executive Order N-6-22 – Russia Sanctions**

On March 4, 2022, Governor Gavin Newsom issued Executive Order [N-6-22](#) (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine the Contractor is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this Agreement. The State shall provide the Contractor advance written notice of such termination, allowing the Contractor at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.

EXHIBIT E
PROTECTION OF CONFIDENTIALITY
(Standard Agreement)

PROTECTION OF CONFIDENTIALITY

Federal and state confidentiality laws, regulations, and administrative policies classify all the Employment Development Department (EDD) information provided under this Agreement as confidential. The federal and state laws prohibit disclosure of the EDD's confidential information to the public and mandate its protection against loss and against unauthorized access, use, disclosure, modification, or destruction.

The EDD Data Recipient must therefore, agree to the following security and confidentiality requirements:

I. ADMINISTRATIVE SAFEGUARDS

- a. Adopt policies and procedures to ensure use of the EDD's confidential information solely for purposes specifically authorized under this Agreement that meet the requirements of section §603.10, Title 20 of the Code of Federal Regulations.
- b. Warrant by execution of this Agreement, that no person or selling agency has been employed or retained to solicit or secure this Agreement upon agreement or understanding for a commission, percentage, brokerage, or contingent fee. In the event of a breach or violation of this warranty, the EDD shall have the right to annul this Agreement without liability, in addition to other remedies provided by law.
- c. Warrant and certify that in the performance of this Agreement, the EDD Data Recipient will comply with all applicable statutes, rules and/or regulations, and Agreement information security requirements, including but not limited to the following:
 - **California Unemployment Insurance Code §1094** (Disclosure Prohibitions)
 - **Title 20, Code of Federal Regulations §603.9 and §603.10** (Federal Unemployment Compensation Safeguards and Security Requirements)
 - **California Civil Code §1798, et seq.** (Information Practices Act)
 - **California Penal Code §502** (Computer Fraud Act)
 - **Title 5, U.S. Code §552a** (Federal Privacy Act Disclosure Restrictions)
 - **Title 42, U.S. Code §503** (Social Security Act)
 - **Title 18, U.S. Code §1905** (Disclosure of Confidential Information)
- d. Agree to indemnify the EDD against any loss, cost, damage or liability resulting from violations of these applicable statutes, rules and/or regulations by the EDD Data Recipient, and Agreement information security requirements that meet section 5305.8 of the State Administrative Manual.
- e. Protect the EDD's information against unauthorized access, at all times, in all forms of media. Access and use the information obtained under this Agreement only to the extent necessary to assist in the valid administrative needs of the program receiving such information, and only for the purposes defined in this Agreement.
- f. Keep all the EDD's confidential information completely confidential. Make this information available to authorized personnel on a "need-to-know" basis, and only for the purposes authorized under this Agreement. "Need-to-know" refers to those authorized personnel who need information to perform their official duties in connection with the use of the information authorized by this Agreement.
- g. Immediately upon discovery, notify the EDD Information Security Office (ISO) at InformationSecurityOffice@edd.ca.gov, that there may have been a breach in security which has or may have resulted in the disclosure of confidential information. For purposes of this section, immediately is defined within 24 hours of discovery of the breach.

EXHIBIT E
PROTECTION OF CONFIDENTIALLY
(Standard Agreement)

The notification must include a detailed description of the incident (such as time, date, location, and circumstances) and identify the EDD Data Recipient personnel responsible (name, title and contact information) for handling breach disclosures. **Please do not include any confidential information in the notification.**

- h. The EDD shall maintain the right to participate in the investigation of a security incident involving its data or conduct its own independent investigation. The EDD Data Recipient shall cooperate fully in such investigations.

II. MANAGEMENT SAFEGUARDS

- a. Acknowledge that the confidential information obtained by the EDD Data Recipient under this Agreement remains the property of the EDD.
- b. Instruct all personnel assigned to work with the information provided under this Agreement regarding the following:
- Confidential nature of the EDD information.
 - Requirements of this Agreement.
 - Sanctions specified in federal and state unemployment compensation laws and any other relevant statutes against unauthorized disclosure of confidential information provided by the EDD.
- c. Require that all personnel assigned to work with the information provided by the EDD complete the EDD Vendor/Contractor Confidentiality Statement (Attachment E-1).
- The EDD Contractor/Vendor Confidentiality Statement (Attachment E-1): Required to be completed by the CeRTNA Information Security Officer or authorized Management Representative.
- d. Permit the EDD to make on-site inspections to ensure that the terms of this Agreement are being met. Make available to the EDD staff, on request and during on-site reviews, copies of the EDD Vendor/Contractor Confidentiality Statement (Attachment E-1) completed by personnel assigned to work with the EDD's confidential information, and hereby made a part of this Agreement.
- e. Maintain a system of records sufficient to allow an audit of compliance with the requirements under subsection (e) of this part. Permit the EDD to make on-site inspections to ensure that the requirements of federal and state privacy, confidentiality and unemployment compensation statutes and regulations are being met including but not limited to [§1137\(a\)\(5\)\(B\) of the Social Security Act](#).

III. USAGE, DUPLICATION, AND REDISCLOSURE SAFEGUARDS

- a. Use the EDD's confidential information only for purposes specifically authorized under this Agreement. The information is not admissible as evidence in any action or special proceeding except as provided under section 1094(b) of the UIC. Section §1095(u) of the UIC does not authorize the use of the EDD's confidential information by any private collection agency.
- b. Extraction or use of the EDD information for any purpose outside the purposes stated in this Agreement is strictly prohibited. The information obtained under this Agreement shall not be reproduced, published, sold, or released in original or any other form not specifically authorized under this Agreement.
- c. Disclosure of any of the EDD information to any person or entity not specifically authorized in this Agreement is strictly prohibited. Personnel assigned to work with the EDD's confidential information shall not reveal or divulge to any person or entity any of the confidential information provided under this

EXHIBIT E
PROTECTION OF CONFIDENTIALITY
(Standard Agreement)

Agreement except as authorized or required by law. The EDD Data Recipient shall immediately notify and work cooperatively with the EDD to respond timely and correctly to public records act requests that it receives related to information obtained under this Agreement. Access to public records is governed by the California Public Records Act, Government Code §7920-7931.

IV. PHYSICAL SAFEGUARDS

- a. Take precautions to ensure that only authorized personnel are given access to physical, electronic and on-line files. Store electronic and hard copy information in a place physically secure from access by unauthorized persons. Process and store information in electronic format, such as magnetic tapes or discs, in such a way that unauthorized persons cannot retrieve the information by means of computer, remote terminal, or other means.
- b. Secure and maintain any computer systems (network, hardware, and software applications) that will be used in the performance of this Agreement. This includes ensuring that all security patches, upgrades, and anti-virus updates are applied as appropriate to secure data that may be used, transmitted, or stored on such systems in the performance of this Agreement.
- c. Store all the EDD's confidential documents in a physically secure manner at all times to prevent unauthorized access.
- d. Store the EDD's confidential electronic records in a secure central computer facility. Where in-use on a shared computer system or any shared data storage system, ensure appropriate information security protections are in place. The EDD Data Recipient shall ensure that appropriate security access controls, storage protections and use restrictions are in place to keep the confidential information in the strictest confidence and shall make the information available to its own personnel on a "need-to-know" basis only.
- e. Store the EDD's confidential information in encrypted format when recorded on removable electronic storage media, or on mobile computing devices such as a laptop computer.
- f. Maintain an audit trail and record data access of authorized users and authorization level of access granted to the EDD's data, based on job function.
- g. Direct all personnel permitted to use the EDD's data to avoid leaving the data displayed on their computer screens where unauthorized users may view it. Personnel should retrieve computer printouts as soon as they are generated so that the EDD's data is not left unattended in printers where unauthorized personnel may access them.
- h. Dispose of confidential information obtained from the EDD, and any copies thereof made by the EDD Data Recipient, after the purpose for which the confidential information is disclosed is served. Disposal means return of the confidential information to the EDD or destruction of the information utilizing an approved method of confidential destruction, which includes electronic deletion (following Department of Defense specifications) shredding, burning, or certified or witnessed destruction.

**ATTACHMENT E-1
 CONFIDENTIALITY STATEMENT
 (Standard Agreement)**

VENDOR/CONTRACTOR CONFIDENTIALITY STATEMENT

Information resources maintained by the State of California Employment Development Department (EDD) and provided to you may be confidential or sensitive. Confidential and sensitive information are not open to the public and require special precautions to protect it from wrongful access, use, disclosure, modification, and destruction. The EDD strictly enforces information security. If you violate these provisions, you may be subject to administrative, civil, and/or criminal action.

I, _____ an employee of _____
 PRINT YOUR NAME PRINT YOUR EMPLOYER'S NAME

hereby acknowledge that the confidential and/or sensitive records of the Employment Development Department are subject to strict confidentiality requirements imposed by state and federal law including, but not limited to, Unemployment Insurance Code (UIC) §§ 1094, 2111 and 2714; California Civil Code (CC) § 1798 et seq.; California Penal Code (PC) § 502; 5 United States Code (U.S.C.) § 552a; 18 U.S.C. § 1905; and 20 Code of Federal Regulations (C.F.R.) § 603 et seq.

- I acknowledge that the Contract's Confidentiality and Data Security Monitor reviewed with me the confidentiality and security requirements, policies, and administrative processes of my organization and that of the EDD.
- I acknowledge responsibility for knowing the classification of the EDD information I work with and agree to refer questions about the classification of the EDD information (public, sensitive, confidential, Federal Tax Information) to the Contract's Data Security Monitor.
- I acknowledge privacy, confidentiality, and data security laws apply to the EDD information I have been granted access to by my employer, including, but not limited to, UIC §§ 1094, 2111, and 2714; Government Code § 15619; CC § 1798.53; and PC § 502.
- I acknowledge that wrongful access, inspection, use, modification, or disclosure of confidential information may be punishable as a crime and/or result in civil action taken against me, and/or fines and penalties resulting from criminal prosecution or civil lawsuits, and/or termination of contract.
- I acknowledge that wrongful access, inspection, use, modification, or disclosure of confidential information for personal gain, curiosity, or any non-business related reason is a crime under state and federal laws.
- I acknowledge that wrongful access, inspection, use, modification, or disclosure of confidential information is grounds for immediate termination of my employer's Contract with the EDD.
- I acknowledge that I understand the penalty provisions of Internal Revenue Code (26 U.S.C. §§ 7431, 7213, and 7213A).
- I acknowledge that upon discovering a possible improper inspection or disclosure of Federal Tax Information (FTI), including breaches and security incidents, I must follow the proper incident reporting requirements issued by the EDD. If I think there is a mishandling of information I will contact my EDD contract monitor and contact the EDD Information Security Office to ensure the Office of Safeguards and the Treasury Inspector General for Tax Administration are notified of a possible issue involving FTI.
- I hereby agree to protect the EDD's information on either paper or electronic form in the following ways:
 - Access, inspect, use, disclose, modify, remove or destroy information only for the purpose of performing official duties
 - Never access, inspect, use, disclose, modify, remove, or destroy information for curiosity, personal gain, or any non-EDD and/or my organization's business related reason
 - Never post the EDD and/or other agency/entity confidential and proprietary information to social media, networking or other public websites
 - Secure confidential information in approved locations and destroy confidential information by approved methods
 - Never use personal devices, including but not limited to, laptops, cameras, video recorders, portable electronic devices containing cameras such as, iPads, tablets and mobile smartphones, in the workplace to capture or record confidential information, including that which appears in the background in work areas
 - Only use authorized state business devices to capture or record confidential information when there is a business need and meets the EDD's guidelines
 - Never remove personal, sensitive, or confidential information from my work site without authorization
 - Follow encryption requirements for all personal, sensitive, or confidential information in any portable device or media

CERTIFICATION

I expressly consent to the monitoring of my access to computer-based sensitive, personal, or confidential information by the Franchise Tax Board, the Employment Development Department, the California Department of Tax and Fee Administration, the Department of Motor Vehicles, the Board of Equalization, and any other State agency designated by them.

My signature verifies that I read and agree to comply with the state and federal laws listed on this form. I further understand that failure to comply with these laws may result in my being barred from accessing the EDD information or other information provided by the EDD and could result in criminal prosecution.

CONTRACTOR NAME (PRINT)	EMPLOYER (PRINT COMPANY NAME)
CONTRACTOR SIGNATURE	DATE

**ATTACHMENT E-1
CONFIDENTIALITY STATEMENT
(Standard Agreement)**

**Vendor/Contractor Confidentiality Statement
Completion Instructions**

The Vendor/Contractor Confidentiality Statement, DE 7410C, informs all EDD vendors and contractors of their information security responsibilities.

NOTE: Failure to sign the Vendor/Contractor Confidentiality Statement does not exempt the vendor/contractor or non-EDD staff from their responsibility to ensure that the EDD's confidential information assets are protected.

Additional information is available upon request. Please see:

- DE 7410F, "Vendor/Contractor Fact Sheet"

**ATTACHMENT E-2
EMPLOYMENT DEVELOPMENT DEPARTMENT INDEMNITY AGREEMENT
(Standard Agreement)**

In consideration of access to the EDD information which is personal, sensitive, or confidential, the EDD Data Recipient agrees to indemnify the EDD against any and all liability costs, damages, attorney fees, and other expenses the EDD may incur by reason of or as a result of any unauthorized use of the personal, sensitive, or confidential information or any violation of the "Confidentiality Agreement" by any and all employees of the EDD Data Recipient.

This obligation shall be continuous and may not be changed or modified unless agreed to in writing.

In addition, I understand that the following penalties may be incurred for any such misuse of the EDD Information by the EDD Data Recipient to the extent authorized by law:

1. Any individual who has access to returns, reports, or documents maintained by the EDD who does not maintain the confidentiality of the information or publishes or opens the information to public inspection in any manner may be punished by imprisonment in the county jail for up to one year or a fine of \$20,000.00 or both. (Unemployment Insurance Code §§ 2111 and 2122).
2. Any person who intentionally discloses information, not otherwise public, which they knew or should have known was obtained from personal information maintained by a state agency, shall be subject to civil action for invasion of privacy by the individual to whom the information pertains. (California Civil Code §1798.53).
3. Any unauthorized access to the EDD computer data, computer systems, or unauthorized use of the EDD data is punishable by a fine or imprisonment in the county jail or both. (California Penal Code §502).

INFORMATION SECURITY STATEMENT OF RESPONSIBILITY

By EDD Data Recipient's signature on the STD 213, EDD Data Recipient attests that it has in place the safeguards and security requirements stated in this Agreement that meet the requirements of sections 13400 - 13407 of the California Government Code and sections 603.9 and 603.10 of Title 20 of the Code of Federal Regulations. The EDD Data Recipient therefore accepts responsibility for ensuring compliance with these requirements, as set forth in Exhibit "E" of the **EDD Contract No. M93730-7100**.

EXHIBIT F
CeRTNA SPECIAL TERMS AND CONDITIONS
(Standard Agreement)

The following terms and conditions shall apply notwithstanding any other terms or conditions of this Agreement.

- A. **TERM:** This Agreement shall become effective upon the date it is executed by both Parties and shall continue in effect for three (3) years. Thereafter, this Agreement shall automatically be renewed for successive one-year terms unless either party provides written notice to the other party at least thirty (30) days prior to the beginning of any renewal period that the party elects not to renew the Agreement.
- B. **AMENDMENTS:** This Agreement may be amended by mutual agreement of the parties hereto, in writing. No alteration or variation of the terms of this agreement shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein, shall be binding on either party.
- C. **CANCELLATION:** Notwithstanding Paragraph 7 in the State's General Terms and Conditions (GTC 610), either the EDD or the CeRTNA may terminate this Agreement with prior written notice to the other if any material representation, warranty, agreement, or obligation contained or referred to in this Agreement has been breached, provided the aggrieved party has given the other party notice of such material breach and there has been a failure to cure such material breach within 30 days after receipt of such notice. For purposes of this Agreement, a material breach is a substantial failure of performance under the Agreement which is significant enough to relieve the aggrieved party of a duty of further performance under the Agreement and provides the right to cancel the Agreement.
- D. Notwithstanding Paragraph 5 in the State's General Terms and Conditions (GTC 04/2017) and any other term or condition relating to indemnity contained in this Agreement, each Party agrees to mutually indemnify and hold harmless the other Party as specified herein:
- The EDD shall indemnify and save harmless the CeRTNA (its officers, trustees, agents, employees, members and contractors) from all claims and losses in connection with the performance of this Agreement to the extent such claims and losses are caused by EDD's intentional, reckless, or negligent acts or omissions relating to this Agreement.
 - The CeRTNA shall indemnify and save harmless EDD (its officers, agents or employees) from all claims and losses in connection with the performance of this Agreement to the extent such claims and losses are caused by the CeRTNA's intentional, reckless, or negligent acts or omissions relating to this Agreement.