

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER 2024-7002	PURCHASING AUTHORITY NUMBER (If Applicable) CDTFA-7600
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1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

California Department of Tax and Fee Administration

CONTRACTOR NAME

California Electronic Recording Transaction Network Authority (CERTNA)

2. The term of this Agreement is:

START DATE

July 01, 2024

THROUGH END DATE

June 30, 2027

3. The maximum amount of this Agreement is:

\$9,000.00 (Nine Thousand Dollars and No 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	Statement of Work	5
Exhibit B	Budget Detail and Payment Provisions	1
Exhibit C*	Cloud Computing Special Provisions for Software as a Service	online
+ -	Exhibit D Special Terms and Conditions	3
+ -	Exhibit E Additional Provisions	3

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 Electronic Recording Transaction Network Authority (CERTNA)

CONTRACTOR BUSINESS ADDRESS

1115 Truxtun Avenue, 3rd Floor

CITY

Bakersfield

STATE

CA

ZIP

93301

PRINTED NAME OF PERSON SIGNING

TITLE

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER 2024-7002	PURCHASING AUTHORITY NUMBER (If Applicable) CDTFA-7600
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STATE OF CALIFORNIA

CONTRACTING AGENCY NAME

CA Dept. of Tax and Fee Administration

CONTRACTING AGENCY ADDRESS

651 Bannon Street, Suite 100

CITY

Sacramento

STATE

CA

ZIP

95811

PRINTED NAME OF PERSON SIGNING

Po Tin Leung

TITLE

Contracts Manager, AMS

CONTRACTING AGENCY AUTHORIZED SIGNATURE

DATE SIGNED

CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL

EXEMPTION (If Applicable)

SCM Vol. 1 4.04 A.2

**EXHIBIT A
STATEMENT OF WORK**

1. PURPOSE

- A. California Electronic Recording Transaction Network Authority, a California Joint Powers Authority (JPA), hereinafter referred to as “Contractor or “CERTNA” agrees to provide to the California Department of Tax and Fee Administration, hereinafter referred to as “CDTFA” or the “State” with online transmittal and recordation of business tax lien information through CERTNA’s Government to Government (G2G) Portal as described herein.
- B. The services shall be performed remotely for the CDTFA located at 651 Bannon Street, Suite 100, Sacramento, CA 95811.
- C. The services shall be performed from July 1, 2024 through June 30, 2027 except weekends and State Holidays. A list of State Holidays is available on the California Department of Human Resources website, linked here: <https://www.calhr.ca.gov/employees/pages/state-holidays.aspx>.

2. CONTRACT MANAGERS

CDTFA Contract Manager	Contractor Manager
Division/Branch/Unit: Field Operations Division, Collections Support Bureau	California Electronic Recording Transaction Network Authority
Contact Name: Craig Sampson	Contact Name: Rich Sherman
Address: 651 Bannon St., Suite 100, MIC: 55 Sacramento, CA 95811	Address: 1115 Truxtun Avenue, 3 rd Floor Bakersfield, CA 93301
Phone: (916) 309-5654	Phone: (714) 400-8188
Email: Craig.Sampson@cdtfa.ca.gov	Email: exec@certna.com

Direct all Technical inquiries to:

CDTFA Contract Manager	Contractor Manager
Division/Branch/Unit: Technology Services Division	California Electronic Recording Transaction Network Authority
Contact Name: Sean Finnegan	Contact Name: Rich Sherman
Address: 651 Bannon St., Suite 100, MIC: 26 Sacramento, CA 95811	Address: 1115 Truxtun Avenue, 3 rd Floor Bakersfield, CA 93301
Phone: (916) 309-5232	Phone: (714) 400-8188
Email: sean.finnegan@cdtfa.ca.gov	Email: exec@certna.com

EXHIBIT A STATEMENT OF WORK

Direct all agreement inquiries to:

CDTFA Representative	Contractor Manager
Business Management Bureau/Acquisitions Management Section (AMS)	California Electronic Recording Transaction Network Authority
Contact Name: Contracts Unit	Contact Name: Rich Sherman
Address: 651 Bannon St., Ste. 100, MIC: 24 Sacramento, CA 95811	Address: 1115 Truxtun Avenue, 3rd Floor Bakersfield, CA 93301
Phone: (916) 309-5421	Phone: (714) 400-8188
Email: acquisitionscoor@cdtfa.ca.gov	Email: exec@certna.com

Direct all audit request inquiries to:

CDTFA Contract Manager	Contractor Manager
Division/Branch/Unit: Executive, Internal Audit Bureau	California Electronic Recording Transaction Network Authority
Contact Name: Chris Lee	Contact Name: Rich Sherman
Address: 651 Bannon St., Suite 100, MIC: 54 Sacramento, CA 95811	Address: 1115 Truxtun Avenue, 3 rd Floor Bakersfield, CA 93301
Phone: 916-309-8701	Phone: (714) 400-8188
Email: Chris.Lee@cdtfa.ca.gov	Email: exec@certna.com

Either Contract Manager may be changed without a formal amendment to this contract. The changing party will notify the other party with a ten-day prior written notice by mail, or email, which will contain the new Contract Manager's name, mailing address, email address, and telephone number.

3. AMENDMENT

This Agreement may be amended to extend the term for up to one (1) additional year, at the rates listed in Exhibit B, Budget Detail and Payment Provisions. If the CDTFA exercises this option, it will initiate an amendment to extend the term of the Agreement and encumber the additional funds. No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by the Parties, and no oral understanding or agreement not incorporated herein, shall be binding on either party.

4. CONTRACTOR'S RESPONSIBILITIES

- A. The CERTNA shall retrieve from CDTFA, via encrypted secure file transfer methods, the delivery of lien information, including digital electronic records that are lien instruments of real estate transactions and lien releases, and deliver it in encrypted form to the designated County Recorder's Office within two (2) business days of receipt.

**EXHIBIT A
STATEMENT OF WORK**

- B. The CERTNA shall receive via encrypted secure file transfer methods from the County Recorder Offices lien recordation confirmation data and to provide this data to CDTFA along with the recording documents no later than the following business day after receiving the documents from the counties.
- C. The CERTNA shall place the following warning banner on the CERTNA G2G Portal for unauthorized users and notes to members:

WARNING! YOU ARE ACCESSING THE CALIFORNIA ELECTRONIC RECORDING TRANSACTION NETWORK AUTHORITY (CERTNA) COMPUTER SYSTEM. BY ACCESSING AND USING THIS GOVERNMENT COMPUTER SYSTEM YOU ARE CONSENTING TO SYSTEM MONITORING FOR LAW ENFORCEMENT AND OTHER PURPOSES. UNAUTHORIZED USE OF, OR ACCESS TO, THIS COMPUTER SYSTEM MAY SUBJECT YOU TO CRIMINAL PROSECUTION AND PENALTIES.

- D. CERTNA Member Counties using the G2G Portal are encouraged to record liens and return them to CERTNA no later than 5:00 PM Pacific Time on the same business day the digital documents are received.
- E. The CERTNA shall not charge the CDTFA for the electronic transmittal and recordation of liens through the CERTNA G2G Portal.

5. CDTFA'S RESPONSIBILITIES

- A. The CDTFA shall transmit to the CERTNA, via CERTNA provided encrypted secure file transfer methods, digital electronic records that are lien instruments of real estate transactions for delivery to and recordation with the designated County Recorder Office(s). The digital records will include new liens, lien extensions and lien releases. The CDTFA will provide data for CERTNA to pull after CDTFA notifies CERTNA.
- B. The CDTFA shall not make any software or hardware modifications to the CERTNA G2G Portal without CERTNA's prior written notification of not less than 30 days prior to implementation. The CDTFA will also be given time to test prior to full implementation.
- C. The CDTFA agrees to comply with any and all reasonable reporting requirements established by CERTNA.
- D. The CDTFA shall provide full cooperation in any auditing or monitoring of CDTFA's use of G2G conducted by CERTNA.
- E. The CDTFA agrees to provide full cooperation with CERTNA in the design, development, implementation, monitoring and evaluation of services provided under this Agreement.
- F. The CDTFA agrees to make available all records pertaining to services provided under this Agreement to CERTNA representatives for examination and audit for a period of not less than one year.

EXHIBIT A STATEMENT OF WORK

6. SUBCONTRACTORS

Contractor may not subcontract any work, including subcontracting with temporary service agencies, without the express written approval of the CDTFA. If it is anticipated that subcontractors will be used, the Contractor shall provide to the CDTFA the names of the subcontractors, references for the subcontractors, and the portions and monetary percentages of the work to be done by the subcontractors. The Contractor retains total responsibility for fulfilling the requirements of this Agreement.

7. HEALTH AND SAFETY

Contractors are required to, at their own expense, comply with all applicable health and safety laws and regulations. Upon notice, Contractors are also required to comply with the state agency's specific health and safety requirements and policies. Contractors agree to include in any subcontract related to performance of this Agreement, a requirement that the subcontractor comply with all applicable health and safety laws and regulations, and upon notice, the state agency's specific health and safety requirements and policies.

8. CONTRACTOR'S PERFORMANCE

- A. CDTFA shall routinely evaluate the work performance of the Contractor and/or Provider to determine if CDTFA standards and Departmental policies and procedures are being maintained. Any Contractor, and/or Provider who fail to perform or who are physically or mentally incapable of performing the required duties as required by this Agreement shall not be permitted to perform service.
- B. Failure to provide services on three (3) or more occasions may result in termination of this Agreement.
- C. The CDTFA Contract Manager or designee shall state in writing the reasons the Contractor and/or Provider did not meet the required policies or standards. CDTFA shall not pay Contractor for any services performed by Contractor and/or Provider which are deemed unacceptable in accordance with the required services contemplated by this Agreement.

9. SUSPENSION OR STOP WORK NOTIFICATION

- A. CDTFA may, at any time, issue a notice to suspend performance or stop work under this Agreement. The initial notification shall be a written directive issued by the CDTFA. Upon receipt of said notice, the Contractor is to suspend and/or stop all, or any part, of the work called for by this Agreement.
- B. Written confirmation of the suspension or stop work notification with directions as to what work (if not all) is to be suspended and how to proceed will be provided within thirty (30) days of the written notification. The suspension or stop work notification shall remain in effect until further written notice is received from CDTFA. The resumption of Work (in whole or part) will be at CDTFA's discretion and upon receipt of written confirmation. Upon receipt of a suspension or stop work notification, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize or halt the incurrence of costs allocable to the performance covered

**EXHIBIT A
STATEMENT OF WORK**

by the notification during the period of work suspension or stoppage. Within thirty (30) days of the issuance of a suspension or stop work notification, CDTFA shall either:

- 1) Cancel, extend, or modify the suspension or stop work notification; or
- 2) Terminate the Agreement.

If a suspension or stop work notification issued under this clause is canceled or the period of suspension or any extension thereof is modified or expires, the Contractor may resume work only upon written concurrence of CDTFA.

- C. If the suspension or stop work notification is cancelled and the Agreement resumes, changes to the services, deliverables, performance dates, and/or contract terms resulting from the suspension or stop work notification shall require an amendment to the Agreement.
- D. CDTFA shall not be liable to the Contractor for loss of profits because of any suspension or stop work notification issued under this clause.

**EXHIBIT B
BUDGET DETAIL AND PAYMENT PROVISIONS**

1. RATES

The cost for these services shall not exceed **\$9,000.00**.

Service Description	Per service request cost
eLien releases	up to \$0.75 fee per recorded Lien Release document

2. INVOICING AND PAYMENT

For services satisfactorily rendered and upon receipt and approval of the invoices, the State agrees to compensate the Contractor for actual expenditures incurred in accordance with the rates specified herein.

Invoices shall be accurate and complete and shall include contract number **2024-7002** FI\$Cal PO # **7600-000000XXXX** and shall be submitted **not more frequently than monthly in arrears to:** cdtfainvoices@cdtfa.ca.gov.

Failure to provide the Agreement number and FI\$Cal PO number on the invoice will likely result in delayed payment.

3. BUDGET CONTINGENCY CLAUSE

It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.

If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either: cancel this Agreement with no liability occurring to the State or offer an Agreement Amendment to Contractor to reflect the reduced amount.

4. PROMPT PAYMENT CLAUSE

Payment will be made in accordance with and within the time specified in Government Code, Chapter 4.5 (commencing with Section 927).

5. SUBCONTRACTORS

If the Contractor uses subcontractors, then all invoices shall be issued by the Contractor. The CDTFAs shall pay only the Contractor. The Contractor is responsible for payment to their subcontractors.

EXHIBIT C
CLOUD COMPUTING SPECIAL PROVISIONS
FOR SOFTWARE AS A SERVICE (SaaS)

The following terms and conditions, which may be viewed via the links below, are required by the State of California's Department of General Services. These terms and conditions are non-negotiable and incorporated into this Agreement.

SaaS

- Cloud Computing Special Provisions for Software as a Service (SaaS)
<https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/Required-Language-for-Solicitations-and-Contracts>

EXHIBIT D SPECIAL TERMS AND CONDITIONS

1. EXCISE TAX

The State of California is exempt from Federal Excise Taxes, and no payment will be made for any personal property taxes levied on the Contractor or on any taxes levied on employee wages. The State shall only pay for any State or local sales or use taxes on the services rendered or equipment supplied to the State pursuant to this Agreement.

2. SETTLEMENT OF DISPUTES

In the event of a dispute, Contractor shall file a "Notice of Dispute" with the Chief, Business Management Bureau of the CA Department of Tax and Fee Administration in Sacramento within ten (10) days of discovery of the problem. Within ten (10) days of receipt of the Notice, the Chief, Business Management Bureau, or his/her designee, shall meet with the Contractor and Contract Manager for purposes of resolving the dispute. The decision of the Chief, Business Management Bureau shall be final. In the event of a dispute, the language contained within this Agreement shall prevail over any other language including that of the solicitation package.

3. POTENTIAL SUBCONTRACTORS

Nothing contained in this Agreement or otherwise shall create any contractual relation between the State and any subcontractors, and no subcontract shall relieve the Contractor of its responsibilities and obligations hereunder. The Contractor agrees to be as fully responsible to the State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its subcontractors is an independent obligation from the State's obligation to make payments to the Contractor. As a result, the State shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

4. CONFIDENTIALITY OF DATA

All financial, statistical, personal, technical and other data and information relating to the State's operations, which is designated confidential by the State and made available to the Contractor in order to carry out this Agreement, or which becomes available to the Contractor in carrying out this Agreement, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State. The identification of all such confidential data and information as well as the State's procedural requirements for protection of such data and information from unauthorized use and disclosure shall be provided in writing to the Contractor by the State. The Contractor shall not, however, be required to keep confidential any data or information which is or becomes publicly available, is already rightfully in the Contractor's possession, is independently developed by the Contractor outside the scope of this Agreement or is rightfully obtained from third parties.

EXHIBIT D
SPECIAL TERMS AND CONDITIONS

5. RIGHT TO TERMINATE

This Agreement is subject to cancellation by the State (in whole or part) upon thirty (30) days written notice without cause. The State may cancel this Agreement without the 30-day written notice if, in its opinion the State finds cause for immediate termination. The State shall also be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. All costs to the State shall be deducted from any sum due the Contractor under this Agreement and the balance, if any, shall be paid to the Contractor upon demand.

6. 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 acts of God such as earthquakes, floods, and other natural disasters such that performance is impossible.

7. COMPUTER SOFTWARE COPYRIGHT LAWS

Contractor certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in performance of this Agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.

8. AMERICANS WITH DISABILITIES ACT (ADA)

The Contractor certifies it complies with the Americans with Disabilities Act of 1990 (42 U.S.C. section 12101, et seq.).

9. 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 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 Contractor advance written notice of such termination, allowing Contractor at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.

10. CONTRACTOR'S COMPLIANCE WITH CDTFA REQUIREMENTS

EXHIBIT D
SPECIAL TERMS AND CONDITIONS

By entering into this Agreement, Contractor agrees to adhere to all the CDTFA rules, policies and procedures and workplace safety measures at all times, as applicable herein. CDTFA's rules, policies, and procedures may include the following requirements, with which Contractor and its providers shall comply:

- A. Background investigations, fingerprinting.
- B. Administrative and related service provided policies and procedures.
- C. The Centers for Disease Control and Prevention (CDC) guidelines for infection control.
- D. Personal safety relating to fire, electrical hazards, disaster preparedness, hazardous material, equipment safety and management.

EXHIBIT E
ADDITIONAL PROVISIONS

1. **ADDITIONAL TERMS AND CONDITIONS:** This Agreement sets forth the terms and conditions of CDTFA's use of the CERTNA's Government to Government (G2G) multi-county Electronic Recording Transaction Network Distribution and Return System Portal. The CERTNA G2G shall consist of CDTFA's release and transmittal of electronic lien information through the CERTNA G2G system and to the County Recorder Offices of any and all counties served by CERTNA.

The counties formed CERTNA to develop, own, maintain and operate an electronic recording network for the purpose of standardizing the electronic recordation of documents. CERTNA is a public entity separate from the counties that are parties to the Joint Powers Agreement, and may jointly authorize any power common to its member counties. The CERTNA Board has authority to exercise such powers on behalf of CERTNA and its member counties per Government Code section 6500 et seq., known as the Joint Exercise of Powers Act; and as set forth in the CERTNA Joint Powers Agreement, Section 4, "Powers".

The Parties anticipate that additional counties will participate in CERTNA as members or clients, and may be added to the CERTNA portal during the term of this Agreement. Counties also may withdraw as members of CERTNA, as set forth in section 11 of the CERTNA JPA. CERTNA will notify the CDTFA within 30 days of the addition or withdrawal of affiliated counties. The Parties agree that an amendment to this Agreement is not required for the addition or withdrawal of counties.

2. **LEGAL AUTHORITY:** The CDTFA is authorized to apply a perfected and enforceable state tax lien pursuant to sections 6757, 8996, 30322, and 38532, 40158, 41124.1, 43413, 45451, 46421, 50123, 55141, and 60445 of the Revenue and Taxation Code. The State tax liens may be electronically recorded with the counties pursuant to Government Code section 27279, which authorizes county recorders to accept digital images and certain digital documents for recordation.
3. **CANCELLATION:** Notwithstanding the State's General Provisions – Information Technology (GSPD-401IT) or the State's Cloud Computing Special Provisions, either CDTFA or 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 section, 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.
4. **ENHANCEMENTS AND UPGRADES:** The Parties acknowledge that the CDTFA may remit suggestions for enhancements or upgrades to the G2G software for CERTNA's consideration, but they fully accept and agree that CERTNA is the sole and final authority on the functionality, enhancements or upgrades of G2G software.
5. **INDEMNIFICATION:** Notwithstanding the State's General Provisions – Information Technology

EXHIBIT E
ADDITIONAL PROVISIONS

(GSPD-401IT) or the State's Cloud Computing Special Provisions, each Party agrees to mutually indemnify and hold harmless the other Party as specified herein:

- The CDTFA shall indemnify and save harmless 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 CDTFA's intentional, reckless, or negligent acts or omissions relating to this Agreement.
 - CERTNA shall indemnify and save harmless CDTFA (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 CERTNA's intentional, reckless, or negligent acts or omissions relating to this Agreement.
6. **STATEMENT OF CONFIDENTIALITY:** The California Department of Tax & Fee Administration has tax and fee payer returns and other confidential data in its custody. Unauthorized inspection or disclosure of confidential data is a misdemeanor (Revenue and Taxation Code sections 9255, 7056.5, 30455, Gov. Code section 15570.84).
 7. **DATA OWNERSHIP:** The confidential tax and fee information being provided under this Agreement remains the property of the CDTFA. The receiving party shall have a non-exclusive right to use and process the disclosed information for the purposes stated in this Agreement. This right shall be revoked immediately upon termination of this Agreement. Disclosure of this data does not transfer ownership of information to the receiving party.
 8. **EMPLOYEE ACCESS TO INFORMATION:** The CERTNA agrees that the information obtained will be kept in the strictest confidence and shall make information available to its own employees and Contractors only on a "need to know" basis. The "Need to know" standard is met by authorized employees who need information to perform their official duties in connection with the uses of the information authorized by this Agreement. The CERTNA recognizes its responsibilities to protect the confidentiality of CDTFA's information and other information as provided by law and ensures such information is disclosed only to those individuals and of such purpose, as authorized by the respective laws.
 9. **DISCLOSURE OF CONFIDENTIAL INFORMATION:** Any unwarranted disclosure or use of CDTFA information or any willful unauthorized inspection of the CDTFA files is an act punishable as a misdemeanor. Inspection is defined to mean any examination of confidential information. The CERTNA, in recognizing the confidentiality of CDTFA information, agrees to take all appropriate precautions to protect the confidential information obtained pursuant to this Agreement from unauthorized disclosure. The CERTNA will conduct oversight of its users with access to the confidential information provided under this Agreement, and will promptly notify the CDTFA of any suspected violations of security or confidentiality by its users.
 10. **INFORMATION SYSTEM SECURITY:** Information security is the protection of information systems and information against unauthorized access, use modification or disclosure – ensuring confidentiality, integrity and availability of information systems and information.

EXHIBIT E ADDITIONAL PROVISIONS

Where applicable the CERTNA will provide a level of security and information integrity equal to or exceeding industry best practices as defined in National Institute of Standards and Technology (NIST) Special Publication 800 Series, <http://csrc.nist.gov/publications/PubsSPs.html> and comply with all state and federal laws.

11. **INCIDENT REPORTING:** Parties shall follow notification and disclosure procedures as required by law and Exhibit E, section 9 (attached), in the event of any breach of data security. The California Information Practices Act, California Civil Code 1798, et al., protects individuals' right to privacy. Civil Code section 1798.82 sets forth the processes a person or business doing business in the State California are to follow in the event of a breach of encrypted and/or unencrypted personal data belonging to any resident of California. The CERTNA shall, upon discovery of or reasonable belief of a possible Data Breach as defined in Exhibit E, including improper inspection or disclosure of CDTFA information and security incidents by a CERTNA Employee or Contractor or any other person, timely notify the CDTFA Information Security Officer in the manner described in Exhibit E, section 9, to provide the information described therein, as well as the following: (a) date and time the incident was discovered, (b) any actions at and following the time of discovery that were taken prior to notifying CDTFA, (c) the IP address of the affected computer(s), (d) the assigned name(s) of the affected computer(s), (e) the operating system of the affected computer(s), and (f) the location of the affected computer(s).
12. **DESTRUCTION OF RECORDS:** All records received by CERTNA from CDTFA and any database created, copies made, or files attributed to the records received will be returned or destroyed upon completion of the business purpose it was obtained for. The records shall be destroyed in a manner to be deemed unusable or unreadable and to the extent that an individual record can no longer be reasonably ascertained. CERTNA shall retain a log of how and when records were destroyed or returned to CDTFA.
13. **SAFEGUARD AUDITS:** The CDTFA retains the right to conduct on site safeguard review audits of the CERTNA's use of CDTFA information and security controls established. The CERTNA will be provided a minimum of seven (7) days written notice of a safeguard review being conducted by the CDTFA staff.