

Senator Todd Gardenhire
Chairman, Fiscal Review Committee
425 Rep. John Lewis Way N.
Nashville ,TN 37243

Attn: Director Krista Lee Carsner

Dear Chairman Gardenhire,

September 30, 2022

Ms. Lee Carsner, Executive Director
Fiscal Review Committee
8th Floor, Rachel Jackson Bldg.
Nashville, TN 37243

RE: Equifax Workforce Solutions LLC (Contract #TBD), AMD#5 Health Management Systems, Inc. (Contract #48584), AMD#1 Morning Sun Financial Services (Contract #71808), AMD#1 OptumRx Inc. (Contract #61494), AMD#3 Public Partnerships, LLC (Contact #56969)

Dear Ms. Lee Carsner:

The Department of Finance and Administration, Division of TennCare, is submitting for consideration by the Fiscal Review Committee the required documentation for five (5) FRC Packet(s) as follows:

1. Equifax Workforce Solutions LLC (New Contract #TBD) MO Presence 11432
Lackland Road
St. Louis, MO 63146: Equifax Workforce Solutions LLC. income and employment verification Work Number database is the largest central repository of payroll information in the United States governed by the Fair Credit Labor Reporting Act (FCRA). The Work Number contains data on over 37% of the U.S. workforce nationwide and more than 200,000 verifiers are registered to use The Work Number service to obtain automated employment and income verifications and holds contracts with forty-four states for employment and income verification services.

TennCare is required to verify information provided by applicants using electronic data sources, whenever possible. If information is available through an electronic data source, TennCare must use the information available prior to requesting additional information

or documentation from the individual. Equifax Workforce Solutions LLC is currently the only known provider who offers this access to such a wide pool of employers. This access allows TennCare to determine an applicant's eligibility without requesting physical documentation, keeping us aligned with our federal requirements.

TennCare requests approval of the Equifax Workforce Solutions LLC. Contract that consists of a three (3) year base period with two (2) options to renew.

2. Health Management Systems, Inc. AMD#5 (Contract #48584) TX Presence 5615 Point Drive Irving, TX 75038: This competitively procured contract with Health Management Systems, Inc. is for the provision of Third-Party Liability recovery services. It is necessary to amend the contract to extend the current term and add funding to support the continuation of recovery and cost avoidance services for an extra year while TennCare awaits protest finalization on RFP 31865-00624 for Third-Party Liability recovery services. The recoveries associated with this contract are not amounts that can easily be projected and vary significantly from one payment cycle to the other, depending on the dollar amounts of recoveries made, as well as the percentage of reimbursement to the contractor according to their cost and associated rates and percentage of reimbursement in the contract.

TennCare seeks to extend this Contract one (1) year past the current eighty-five (85) month term to allow time for RFP 31865-00624 protest processes to finalize for Third-Party Liability recovery services. Pending finalization timeframes, this extension may also allow the agency to maintain a 12-months period of transition and implementation period between the current contract and contract awarded from RFP 31865-00624. If protest process timeframes do not finalize, the agency will need to seek additional time and money via the amendment process at a later date.

3. Morning Sun Financial Services AMD#1 (Contract #71808) MN Presence 9400 Golden Valley Road, Golden Valley, MN 55427: Morning Sun provides Financial Administration and Supports Brokerage functions to enable members in the Section 1915(c) Comprehensive Aggregate Cap and Statewide Waivers to consumer direct eligible services. Specifically, they work with members who choose to consumer direct to ensure workers meet the necessary requirements and documentation as well as manage financial administration related to payments to workers and taxes.

TennCare requests approval to extend the Contract by six (6) months partially utilizing the final Renewal Option. Only six (6) months is being requested in order to finalize an ongoing RFP 31865-00633 Fiscal Employer Agent. Pending any unforeseen

circumstances arising from the RFP, the six (6) month request should cover any transition time needed.

4. OptumRx Inc. AMD#1 (Contract #61494) IL Presence 1600 McConnor Parkway Schaumburg, IL 60173: In compliance with applicable provisions of the CMS final Managed Care Rule set forth in 42C.F.R. §§ 431 , 433, 438, 440, 455, 457, 496, et seq., and all other applicable State and federal statutes, rules and requirements, OptumRx Inc. provides pharmacy benefits manager (PBM) services to the Division of TennCare’s three pharmacy programs” TennCare (Medicaid), CoverKids (C.H.I.P.) and CoverRx (Tennessee’s prescription assistance program). The Contractor has developed and maintains a network of pharmacies, a point of sale (POS) adjudication system, and a first level member appeals process. In addition, this vendor supports the state in the development of drug formularies and covered drugs lists, negotiates and collects rebates, and ensures timely and accurate reimbursement to providers for medications covered and dispensed under each plan.

TennCare requests to exercise one (1) pre-existing renewal option, add Contract language, and increase the maximum liability to accommodate the one-year renewal option for Contract 61494. Language additions include alternate template addition E.27 Additional Lines, items, or options and new CMS Federal Requirement E.28. State Drug Utilization Data.

5. Public Partnerships, LLC AMD#3 (Contact #56969) MA Presence 148 State Street, 410th Floor Boston, MA 02109: Public Partnerships Limited (PPL) serves TennCare by performing Fiscal Employer Agent (FEA) and Supports Broker (SB) services in the CHOICES program and the Employment and Community First (ECF) CHOICES program. As part of the most recent competitive procurement for FEA/SB services, PPL was awarded a contract encompassing all of TennCare’s Medicaid HCBS programs and populations which added three Section 1915(c) HCBS waivers operated by DIDD. PPL provides FEA/SB services to provide TennCare members the option to consumer direct eligible services.

Legislation passed in 2018-2019 to establish a new standalone Katie Beckett Program. The services provided through Consumer Direction in Katie Beckett as well as the reimbursement model for types of assistance for those not utilizing direct support staff mirror those in ECF.

The proposed 6-month extension is being requested in order to complete RFP 31865-00633 Fiscal Employer Agent, released on September 20, 2022, and set to finalize in March of 2023, to replace the existing PPL Contract 56969. This Amendment will help align processes with TennCare’s Reportable Events Management (REM) program. The

proposed changes also align and improve TennCare and DIDD's processes for handling all reports of potential abuse or neglect.

TennCare respectfully submits the above referenced contract amendment for consideration and approval by the Fiscal Review Committee. We look forward to promptly providing any additional information as may be requested by the Committee.

Sincerely,

Zane Seals
Chief Financial Officer

cc: Stephen Smith, Director of TennCare

Supplemental Documentation Required for
Fiscal Review Committee

*Contact Name:	Matt Brimm	*Contact Phone:	615-687-5811	
*Presenter's name(s):	Zane Seals			
Edison Contract Number: <i>(if applicable)</i>	#TBD	RFS Number: <i>(if applicable)</i>	31865-00857	
*Original or Proposed Contract Begin Date:	January 1, 2023	*Current or Proposed End Date:	December 31, 2025	
Current Request Amendment Number: <i>(if applicable)</i>	N/A			
Proposed Amendment Effective Date: <i>(if applicable)</i>	N/A			
*Department Submitting:	Department of Finance and Administration			
*Division:	Division of TennCare			
*Date Submitted:	September 30, 2022			
*Submitted Within Sixty (60) days:	Yes			
<i>If not, explain:</i>	N/A			
*Contract Vendor Name:	Equifax Workforce Solutions LLC			
*Current or Proposed Maximum Liability:	\$9,971,332.00			
*Estimated Total Spend for Commodities:	N/A			
*Current or Proposed Contract Allocation by Fiscal Year: (as Shown on Most Current Fully Executed Contract Summary Sheet)				
FY: 2023	FY: 2024	FY: 2025	FY: 2026	FY: 2027
\$1,539,250.00	\$3,192,819.00	\$3,446,416.00	\$1,792,847.00	\$0.00
FY:	FY:			
*Current Total Expenditures by Fiscal Year of Contract: (attach backup documentation from Edison)				
FY: 2023	FY: 2024	FY: 2025	FY: 2026	FY: 2027
\$	\$	\$	\$	\$
FY:	FY:			
IF Contract Allocation has been greater than Contract Expenditures, please give the reasons and explain where surplus funds were spent:		N/A		
IF surplus funds have been carried forward, please give the reasons		N/A		

Supplemental Documentation Required for
Fiscal Review Committee

and provide the authority for the carry forward provision:			
IF Contract Expenditures exceeded Contract Allocation, please give the reasons and explain how funding was acquired to pay the overage:		N/A	
*Contract Funding Source/Amount:			
State:	\$4,985,666.00	Federal:	\$4,985,666.00
<i>Interdepartmental:</i>		<i>Other:</i>	
If “other” please define:			
If “interdepartmental” please define:			
Dates of All Previous Amendments or Revisions: <i>(if applicable)</i>		Brief Description of Actions in Previous Amendments or Revisions: <i>(if applicable)</i>	
Method of Original Award: <i>(if applicable)</i>		Sole Source Non-Competitive Contract	
*What were the projected costs of the service for the entire term of the contract prior to contract award? How was this cost determined?		\$9,971,332.00 for the current three-year term. Estimated Maximum Contract Cost is based on fees quoted by the proposed contractor, Equifax Workforce Solutions LLC., in response to a request from the Department to estimate the cost of all products and services for the proposed term available through Equifax to address state and/or federal requirements. The cost accounts for any unforeseen overages that may occur throughout the term of this multi-year contract.	
*List number of other potential vendors who could provide this good or service; efforts to identify other competitive procurement alternatives; and the reason(s) a sole-source contract is in the best interest of the State.		Equifax Workforce Solutions LLC. Is the sole provider of this service. There is no other provider who offers automated, instant access to the specific employer payroll records available on The Work Number. Employers who send records to Equifax use this service exclusively; in other words, they do not supply other vendors with the same payroll data, for the purposes of	

Supplemental Documentation Required for
Fiscal Review Committee

	<p>employment and income verification. Therefore, Equifax is the only entity capable of providing access to these records. This service provides TennCare with verification of income for active Medicaid members. Without this service, TennCare would not be able to ensure all requirements are being met in order to receive Medicaid in the State of Tennessee.</p>
<p style="text-align: center;">*Provide information on the circumstances and status of any disciplinary action taken or pending against the vendor during the past 5 years with state agencies/ departments, professional organizations, or through any legal action.</p>	<p>No disciplinary actions identified through Equifax’s work with the State of Tennessee. Equifax has recently settled on their 2017 data breach.</p>
<p style="text-align: center;">*In addition, please provide any information regarding the due diligence that the Department has taken to ensure that the vendor is not or has not been involved in any circumstances related to illegal activity, including but not limited to fraud.</p>	<p>TennCare conducted online research on the contractor and identified a breach that occurred in 2017 which was recently settled by Equifax. Language in the contract requires immediate notification to the state regarding illegal activity or fraud if discovered during the term of this Contract.</p>

Special Contract Request

This form should be utilized to facilitate contract and procurement requests that require the Chief Procurement Officer's prior approval and that of the Comptroller of the Treasury, as applicable.

NOT required for a contract with a federal, Tennessee, or Tennessee local government entity or a grant.

Upload the completed document and route for approvals by selecting the appropriate SCR e-Form type in Edison. For additional guidance, please see the Special Contracts Request e-Form Job Aid available online at the following:

<https://www.teamtn.gov/cpo/learning-development/cpo-job-aids.html>.

APPROVED [Upload this SCR to e-Forms in Edison. Approvals will be captured in Edison Workflow.]	APPROVED [Upload this SCR to e-Forms in Edison. Approvals will be captured in Edison Workflow.]
CHIEF PROCUREMENT OFFICER _____ DATE _____	COMPTROLLER OF THE TREASURY _____ DATE _____

Approval of the SCR does not constitute approval of the final contract.

Request Tracking #	31865-00857
1. Contracting Agency	Department of Finance and Administration, Division of TennCare
2. Type of Contract or Procurement Method	<input type="checkbox"/> No Cost <input type="checkbox"/> Revenue <input checked="" type="checkbox"/> Sole Source <input type="checkbox"/> Proprietary <input type="checkbox"/> Competitive Negotiation <input type="checkbox"/> Other _____
3. Requestor Contact Information	Matt Brimm Matt.brimm@tn.gov 615-687-5811
4. Brief Goods or Services Caption	The Work Number® Social Service Verifications
5. Description of the Goods or Services to be Acquired	Employment and income verifications that assist with the determination of eligibility for TennCare Members
6. Proposed Contractor	Equifax Workforce Solutions LLC. (Formally known as TALX Corporation)
7. Name & Address of the Contractor's principal owner(s) <i>- NOT required for a TN state education institution</i>	Equifax Workforce Solutions LLC. 11432 Lackland Road St. Louis, MO 63146

Request Tracking #	31865-00857
8. Proposed Contract Period – with ALL options to extend exercised <i>The proposed contract start date shall follow the approval date of this request.</i>	60 months
9. Strategic Technology Solutions (“STS”) Pre-Approval Endorsement Request – information technology (N/A to THDA)	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached
10. Human Resources Pre-Approval Endorsement Request – contracts with an individual, state employee training, or services related to the employment of current or prospective state employees	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached
11. Are these goods or services currently available on a statewide contract? If YES, please explain why the current statewide contract is not being used for this procurement.	<input checked="" type="checkbox"/> NO <input type="checkbox"/> YES,
12. Maximum Contract Cost – with ALL options to extend exercised	\$ 20,000,000.00
13. Was there an initial government estimate? If so, what amount?	<input type="checkbox"/> NO <input checked="" type="checkbox"/> YES, \$18,131,558.96
14. Cost Determination Used- How did agency arrive at the estimate of expected costs?	Estimated Maximum Contract Cost is based on fees quoted by the proposed contractor, Equifax Workforce Solutions LLC., in response to a request from the Department to estimate the cost of all products and services for the proposed term available through Equifax to address state and/or federal requirements. The cost accounts for any unforeseen overages that may occur throughout the term of this multi-year contract.
15. Explanation of Fair and Reasonable Price- Explain how agency determined that price is fair and reasonable	TennCare has determined that the proposed price is fair and reasonable based on the volatile volume and usage that has occurred during the Covid-19 pandemic. A similar price was requested in the last Contract 73212.
16. Documentation of Discussions with Contractor- How did agency document discussions with Contractor? Attach documentation to this request as applicable.	Discussions were conducted via phone or email. Digital correspondences were saved and documented.
17. Explanation of Need for or requirement placed on the State to acquire the goods or services	This service allows the TennCare Eligibility Determination System (TEDS) the opportunity to automatically verify a person's current employment and income to determine program eligibility. In addition, the service helps TennCare monitor individual financial eligibility for benefits, support quality control, locate default, and investigate potential fraud.

Request Tracking #	31865-00857
18. Proposed contract impact on current State operations	This service provides TennCare with verification of income for active Medicaid members. Without this service, TennCare would not be able to ensure all requirements are being met in order to receive Medicaid in the State of Tennessee.
19. Justification – Specifically explain why the goods or services should be acquired through the procurement method or contract type selected.	<p>Equifax Workforce Solutions LLC. income and employment verification Work Number database is the largest central repository of payroll information in the United States governed by the Fair Credit Labor Reporting Act (FCRA). The Work Number contains data on over 37% of the U.S. workforce nationwide and more than 200,000 verifiers are registered to use The Work Number service to obtain automated employment and income verifications and holds contracts with forty-four states for employment and income verification services.</p> <p>There is no other provider who offers automated, instant access to the specific employer payroll records available on The Work Number. Employers who send records to Equifax use this service exclusively; in other words, they do not supply other vendors with the same payroll data, for the purposes of employment and income verification. Therefore, Equifax is the only entity capable of providing access to these records.</p> <p>TennCare is required to verify information provided by the individual using electronic data sources, whenever possible. If information is available through an electronic data source, TennCare must use the information available prior to requesting additional information or documentation from the individual. As referenced above, the Work Number is currently the only known provider who offers this access to such a wide pool of employers. This access allows TennCare to determine an applicant eligible without requesting physical documentation, keeping us aligned with our federal requirements.</p>
For No Cost and Revenue Contracts Only	
20. What costs will the State incur as a result of this contract? If any, please explain.	

Request Tracking #	31865-00857
21. What is the total estimated revenue that the State would receive as a result of this contract?	
22. Could the State also contract with other parties interested in entering substantially the same agreement? Please explain.	<input type="checkbox"/> NO <input type="checkbox"/> YES
23. Summary of State responsibilities under proposed contract	
For Sole Source and Proprietary Procurements Only	
24. Evidence of Contractor's experience & length of experience providing the goods or services to be procured.	Equifax Workforce Solutions LLC. is the sole provider of these services in the current market that provides employment information available to state service agencies for income and employment verification and its database is the largest central repository of payroll information in the United States governed by the Fair Credit Labor Reporting Act (FCRA).
25. Has the contracting agency procured the subject goods or services before? If yes, provide the method used to purchase the goods or services and the name and address of the contractor.	<input type="checkbox"/> NO <input checked="" type="checkbox"/> YES, Method: Sole Source Name/Address: Equifax Workforce Solutions LLC. 11432 Lackland Road St. Louis MO 63146
26. Contractor selection process and efforts to identify reasonable, competitive, procurement alternatives	Equifax Workforce Solutions LLC. income and employment verification Work Number database is the largest central repository of payroll information in the United States governed by the Fair Credit Labor Reporting Act (FCRA). The Work Number contains data on over 37% of the U.S. workforce nationwide and more than 200,000 verifiers are registered to use The Work Number service to obtain automated employment and income verifications and holds contracts with forty-four states for employment and income verification services. There is no other provider who offers automated, instant access to the specific employer payroll records available on The Work Number. Employers who send records to Equifax use this service exclusively; in other words, they do not supply other vendors with the same payroll data, for the purposes of employment and income verification. Therefore, Equifax is the only entity capable of providing access to these records.

Request Tracking #	31865-00857
Signature Required for all Special Contract Requests	
Signature of Agency head or authorized designee, title of signatory, and date (the authorized designee may sign his or her own name if indicated on the Signature Certification and Authorization document) [Either upload signed SCR in Edison or capture authorized agency approval in Edison Workflow.]	
Signature:	Date:

July 15, 2022

State of Tennessee
TennCare – Medicaid Agency

To Whom It May Concern:

The State of Tennessee contracts for service with Equifax Workforce Solutions for employment and income verification services through use of The Work Number database.

As of mid-2022, The Work Number contains 135,000,000+ active payroll records from over 2,600,000 nationwide contracted employers. There is no other provider who offers automated, instant access to these specific employer payroll records; nor is there any other 3rd party data supplier that hosts a sufficient amount of current, accurate data to meet state agencies' program needs.

We look forward to continuing our relationship with the State of Tennessee. Please do not hesitate to contact me at any time if I can be of assistance to your agency.

Sincerely,



Robbie Purser
Account Executive, Equifax Government Services
404.937.8557
robert.purser@equifax.com



EQUIFAX[®]

Sole Source overview

Equifax is the leading third party Employment and Income Service for Social Service agencies

Equifax is an industry leader in providing current income and employment verification data to government agencies and not-for-profit organizations supporting programs such as SNAP, TANF, Medicaid, Social Security, Unemployment, Housing and Child Support. Our Social Services Verification product leverages The Work Number[®], the nation's largest proprietary database of employment and income information to aid in the administration of public assistance and Child Support programs.

Social Service Verifications from Equifax helps agencies promote program integrity and get qualified applicants the benefits they need by streamlining eligibility verification at all stages of the process:

- Application for services — Verify applicant's employment and income.
- "Life change" impacting eligibility or need for services — Get notified when there is a change in employment or income that may impact benefit eligibility or child support.
- Renewal of services — Confirm employment and income instantly, streamlining the renewal process.
- Audit or recovery — Quickly identify overpayments and prioritize collections based on ability to pay.

Key benefits

Automate employment and income verification

Access the most recent rate and hours worked

Uncover unreported income faster

Run regular program integrity checks

Improve child support collections

Social Service Verifications from Equifax also helps Child Support Agencies find more parents and collect more child support by:

- Locating parents — Verify parents' employment and income as well as contact information.
- Establishing orders — Verify most recent employment and income to right-size order for consistent collections.
- Identify "Life Changes" impacting collections — Monitor changes to employment and income affecting ability to pay and re-establish or modify orders for consistent collections.

Description of the service

The SSV product from Equifax uses The Work Number database to instantly search from among millions of employment records contributed by hundreds of employers nationwide, including thousands of medium and small employers. This is accomplished through our strong relationship with employers, payroll providers and the majority of federal government civilian employers. The Work Number database is updated each time a contributing employer processes payroll so that you have access to the most up-to-date information available (as provided by the employer).

Uniqueness of The Work Number and use as a Sole Source

Leveraging The Work Number Database, Equifax is the industry's largest provider of third-party income verifications who is under contract with its participating employers to:

- obtain updated employee wage data each payroll period
- release this data electronically to government entities for the purposes of eligibility determinations and fraud determinations.

There is no other provider that offers automated, instant access to all of the employer payroll records available on The Work Number database. The Work Number is unique because we provide confidential data direct from the employer's payroll system and we add new employer records every week, so you can be assured to have the most-up-to date income and employment data available.

The SSV product helps validate stated income on an application. It offers a unique ability to uncover unreported employment and earnings faster because it's updated as soon as payroll is processed. Plus, it includes additional information required for public assistance not typically available from governmental data sources, including, for example, insurance coverage, hours worked and income-by-pay-period.

Many government agencies have approved the use of third-party payroll sources such as The Work Number to verify household-provided information. In fact, the United States Department of Agriculture issued guidance in August 2019 to all state Supplemental Nutrition Assistance Program (SNAP) agencies that advises, "Third party payroll sources, such as The Work Number, can be used to verify information provided by a household (in writing or verbally)."

Equifax empowers government agencies to make more informed decisions, streamline operations, maximize program efficiency, increase child support collections, reduce fraud and improper payments and enhance the user experience. With decades of experience serving the public sector, Equifax leverages trusted, unique data, analytics, technology, and expertise to help government clients drive innovation and transform knowledge into insights.

gov_info@equifax.com • equifax.com/government

The Work Number may be particularly useful in providing households with "same day service" when documentary evidence is not available on the same day the application is submitted.¹



Value for you

Consider the time and cost expended on manual processes when employment and income information isn't readily available. Verifying applicant-provided, self-attested data can take days or weeks, as opposed to instantaneous data verification from The Work Number. Furthermore, consider the risk of using limited or outdated information from public sector data sources or State New Hire Data. Leveraging The Work Number database, Equifax can be the sole source for instant verifications, or used in tandem with public data sources to increase reliability and accuracy.

¹California Department of Social Services All-County Letter No. 19-08, dated February 9, 2019

Rule Exception Request

Use this document to request changes to Central Procurement Office templates, policies, or other procurement documents or to modify the “necessary contract clauses” identified in Tenn. Comp. R. & Reg. 0690-03-01-.17 (“CPO Rule 17”). Complete this document in conformity with CPO Rule 17, which is available [here](#). Upload the completed document and route for approvals by selecting the appropriate RER e-Form in Edison. For additional guidance, please see the e-Forms Job Aid available online at the following: <https://www.teamtn.gov/cpo/learning-development/cpo-job-aids.html>. All Rule Exception Requests are subject to review and approval by the Chief Procurement Officer. Rule Exception Requests that propose to modify any of CPO Rule 17’s necessary contract clauses shall be subject to review and approval by the Comptroller of the Treasury. Note: If the requested changes involve contracts under a delegation, please use the RER for the DA or DGA templates. Also, any change to the template language regarding the Limitation of Contractor’s Liability shall be submitted using the Limitation of Contractor’s Liability Request.

<p>APPROVED</p> <p>[Upload this RER to e-Forms in Edison. Approval will be captured in Edison Workflow.]</p> <hr/> <p>CHIEF PROCUREMENT OFFICER</p>	<p>APPROVED</p> <p>[Upload this RER to e-Forms in Edison. Approval will be captured in Edison Workflow.]</p> <hr/> <p>COMPTROLLER OF THE TREASURY</p>
Agency request tracking #	31865-00857
1. Procuring Agency	Department of Finance and Administration, Division of TennCare
2. Edison contract ID #	TBD
3. Please select Procurement or Contract Type. (This will be the RER e-Form for routing purposes.)	<input type="checkbox"/> Grant Contract – for contracts involving Grants <input type="checkbox"/> Technology - for contracts involving technology <input type="checkbox"/> Risk Management - for changes to insurance or indemnification <input checked="" type="checkbox"/> Standard – Agency Term Contract or Statewide Contract (use for non-technology contracts for goods or services)
4. Contractor or Grantee	Equifax Workforce Solutions LLC
5. Contract’s Effective Date	January 1, 2023
6. Contract or grant contract’s Term (with ALL options to extend exercised)	60 months
7. Contract’s Maximum Liability (with ALL options to extend exercised)	\$18,131,558.96
8. Citation and explanation of the rule(s) for which the exception is requested	The Department Finance and Administration, Division of TennCare requests an exception pursuant to Tenn. Comp. Rule & Regs 0690-03-01-.05 in order to permit modifications and the addition of language alternative to that which is prescribed in the pro-forma contract template.
9. Description of requested changes If adding new provisions or modifying existing provisions, insert the new or modified provisions in their entirety. Please provide red-lines or track changes to highlight any deviations from template language.	Exception to modify Central Procurement fee for service template language included in Sections A, C, and D as well as incorporate additional language specific to TennCare in Section s E (Special Terms and Conditions) and incorporation of the Equifax Universal Membership Agreement..

10. Scope of Goods or Services Caption:

Social service employment and income verification services.

11. Justification

Pursuant to Rule 0690-03-01-.05, cited above in item #8, TennCare is requesting exception to the Fee for Service (FA) Contract template, specified sections listed below, and in Attachment A to this request. This sole source contract has been in place for many years and the majority of the below terms have previously been negotiated to ensure there is no loss of service and a valid partnership can be maintained. Also, below you will find Universal Membership Agreement along with Exhibit 1 and 2 incorporated into the Contract by reference. This is being done for visibility purposes only.

- A.1.
- A.3. Warranty
- A.4. Inspection and Acceptance (changed Defects to defects)
- C.3. Payment Methodology
- D.6. Termination for Cause
- D.7. Assignment and Subcontracting
- D.9. Nondiscrimination
- D.10. Prohibition of Illegal Immigrants
- D.11. Records
- D.17. Limitation of State's Liability
- D.18. Limitation of Contractor's Liability
- D.19. Hold Harmless
- D.20. HIPAA Compliance
- D.25. State and Federal Compliance
- D.32. Insurance
- D.34. Confidentiality of Records
- D.35. Equal Opportunity
- E.4. Personally Identifiable Information
- E.5. Federal Funding Accountability and Transparency Act (FFATA)
- E.6. Applicable Laws, Rules, Policies and Court Orders.
- E.7. Employees Excluded from Medicare, Medicaid or CHIP
- E.8. Offer of Gratuities
- E.9. Nondiscrimination Compliance Requirements
- E.10. Social Security Administration (SSA) Required Provisions for Data Security.
- E.11. Medicaid and CHIP
- E.12. Discovery and Litigation

*Please refer to Attachment A for proposed additions of the above referenced sections.

We respectfully request favorable consideration of these modifications to the proposed contract. All requested changes were previously agreed upon in Contract# 73212.

Signature of Agency head or designee and date

[Either upload signed RER to e-Forms in Edison or capture authorized agency approval in Edison Workflow]

ATTACHMENT A

- A.1. The Contractor shall provide all ~~goods or services and deliverables~~ as required, described, and detailed ~~below in the attached Schedule A~~ and shall meet all service and delivery timelines as specified by this Contract.
- A.3. Warranty. Contractor warrants that the Service will be performed in all material respects in a reasonable and workmanlike manner and in compliance with all state, federal, and local laws, rules and regulations applicable to Contractor's performance thereof. The State acknowledges that the ability of Contractor to provide accurate information is dependent upon receipt of accurate information from employers. Contractor does not warrant that the Service will be error free. EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH HEREIN, Contractor MAKES NO OTHER WARRANTIES AS TO THE SERVICE OR THE DATA, EXPRESSED OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF GOOD TITLE, MERCHANTABILITY, AND/OR FITNESS FOR A PARTICULAR PURPOSE EVEN IF CONTRACTOR KNOWS OF SUCH PURPOSE.
- A.4. Inspection and Acceptance. The State shall have the right to inspect all goods or services provided by Contractor under this Contract. If, upon inspection, the State determines that the goods or services are defective, the State shall notify Contractor, and Contractor shall re-deliver the goods or provide the services at no additional cost to the State. If after a period of thirty (30) days following delivery of goods or performance of services the State does not provide a notice of any defects, the goods or services shall be deemed to have been accepted by the State.
- C.3. Payment Methodology. The Contractor shall be compensated based on the payment methodology for goods or services authorized by the State in a total amount as set forth in Section C.1.
- a. The Contractor's compensation shall be contingent upon the satisfactory provision of goods or services as set forth in Section A and Schedule A.
 - b. The Contractor shall be compensated for changes requested and performed pursuant to Contract Section A.6, without a formal amendment of this Contract pursuant to Section A.6, PROVIDED THAT compensation to the Contractor for such "change order" work shall not exceed seven percent (7%) of the Maximum Liability detailed in Section C.1, above. If, at any point during the Term, the State determines that the cost of necessary "change order" work would exceed the maximum amount, the State may amend this Contract to address the need.
 - c. The Contractor shall be compensated based upon the following payment methodology:
- D.6. Termination for Cause. If the Contractor fails to properly perform its obligations under this Contract in a timely or proper manner, or if the Contractor materially violates any terms of this Contract ("Breach Condition"), the State shall have the right to immediately terminate the Contract and withhold payments in excess of compensation for completed services or provided goods. Notwithstanding the above, the Contractor shall not be relieved of liability to the State for damages sustained by virtue of any Breach Condition and the State may seek other remedies allowed at law or in equity for breach of this Contract.
- If Contractor reasonably believes that Agency has breached an obligation under this Contract, Contractor may, at its option and reserving all other rights and remedies, upon twenty-four (24) hours prior notice, suspend and/or terminate this Contract and/or any Schedules. Notwithstanding the foregoing, if Contractor reasonably believes that Agency has breached its obligations under the FCRA, specifically an obligation under section 604 of the FCRA, Contractor may immediately suspend Services under the Contract.

- D.7. Assignment and Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any **material portion** of the goods or services provided under this Contract without the prior written approval of the State. Notwithstanding any use of the approved subcontractors, the Contractor shall be the prime contractor and responsible for compliance with all terms and conditions of this Contract. The State reserves the right to request additional information or impose additional terms and conditions before approving an assignment of this Contract in whole or in part or the use of subcontractors in fulfilling the Contractor's obligations under this Contract.
- D.9. Nondiscrimination. The Contractor hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Contractor on the grounds of handicap or disability, age, race, creed, color, religion, sex, national origin, or any other classification protected by federal or state law. The Contractor shall, upon request, show proof of nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination. **In addition, the Contractor shall comply with the provisions of Contract Section E.9. (Nondiscrimination Compliance Requirements) and this Section D.9 shall not be deemed to limit or abridge any requirement set forth in Section E.9. of this Contract.**
- D.10. Prohibition of Illegal Immigrants. The requirements of Tenn. Code Ann. § 12-3-309 addressing the use of illegal immigrants in the performance of any contract to supply goods or services to the state of Tennessee, shall be a material provision of this Contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this Contract.
- a. The Contractor agrees that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract. The Contractor shall reaffirm this attestation, in writing, by submitting to the State a completed and signed copy of the document at Attachment A, semi-annually during the Term. If the Contractor is a party to more than one contract with the State, the Contractor may submit one attestation that applies to all contracts with the State. All Contractor attestations shall be maintained by the Contractor and made available to State officials upon request.
 - b. Prior to the use of any subcontractor in the performance of **any material portion of this Contract**, and semi-annually thereafter, during the Term, the Contractor shall obtain and retain a current, written attestation that the subcontractor shall not knowingly utilize the services of an illegal immigrant to perform work under this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant to perform work under this Contract. Attestations obtained from subcontractors shall be maintained by the Contractor and made available to State officials upon request.
 - c. The Contractor shall maintain records for all personnel used in the performance of this Contract. Contractor's records shall be subject to review and random inspection at any reasonable time upon reasonable notice by the State. **Contractor may provide a screen share or attestation; however, will not provide access to any personnel records without redaction.**
 - d. The Contractor understands and agrees that failure to comply with this section will be subject to the sanctions of Tenn. Code Ann. § 12-3-309 for acts or omissions occurring after its effective date.
 - e. For purposes of this Contract, "illegal immigrant" shall be defined as any person who is not: (i) a United States citizen; (ii) a Lawful Permanent Resident; (iii) a person whose physical presence in the United States is authorized; (iv) allowed by the federal Department of Homeland Security and who, under federal immigration laws or

regulations, is authorized to be employed in the U.S.; or (v) is otherwise authorized to provide services under the Contract.

- D.11. Records. The Contractor shall maintain documentation for all charges under this Contract. The books, records, and documents of the Contractor, for work performed or money received under this Contract, shall be maintained for a period of five (5) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the State, the Comptroller of the Treasury, or their duly appointed representatives, **subject to Contractor' on-site security policies over its facilities and systems, to the extent that said policies do not prevent the State's ability to conduct the audit.** The financial statements shall be prepared in accordance with generally accepted accounting principles.
- D.17. Limitation of State's Liability. **The State's liability under this contract shall be in accordance with Tenn. Code Ann §9-8-307.** In no event will the State be liable to the Contractor or any other party for any lost revenues, lost profits, loss of business, decrease in the value of any securities or cash position, time, goodwill, or any indirect, special, incidental, punitive, exemplary or consequential damages of any nature, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Contract or otherwise. The State's total liability under this Contract (including any exhibits, schedules, amendments or other attachments to the Contract) or otherwise shall under no circumstances exceed the Maximum Liability. This limitation of liability is cumulative and not per incident.
- D.18. Limitation of Contractor's Liability. In accordance with Tenn. Code Ann. § 12-3-701, the Contractor's liability for all claims arising under this Contract shall be limited to an amount equal to two (2) times the Maximum Liability amount detailed in Section C.1. and as may be amended, PROVIDED THAT in no event shall this Section limit the liability of the Contractor for: (i) intellectual property or any Contractor indemnity obligations for infringement for third-party intellectual property rights; (ii) any claims covered by any specific provision in the Contract providing for liquidated damages; or (iii) any claims for intentional torts, criminal acts, fraudulent conduct, or acts or omissions that result in personal injuries or death. For clarity, except as otherwise expressly set forth in this Section, Contractor's indemnification obligations and other remedies available under this Contract are subject to the limitations on liability set forth in this Section. **In no event shall Contractor be liable to the State or any other party for any lost revenues or indirect, special, incidental, consequential, exemplary, or punitive damages, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Contract or otherwise.**
- D.19. Hold Harmless. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all **third party** claims, liabilities, **expenses and costs, including reasonable attorney's fees and expenses**, losses, and causes of action **to the extent the same in which may** arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of acts, omissions, or negligence on the part of the Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract. ~~The Contractor further agrees it shall be liable for the reasonable cost of attorneys' fees, court costs, expert witness fees, and other litigation expenses for the State to enforce the terms of this Contract.~~
- In the event of any suit or claim, the Parties shall give each other **immediate prompt** notice and provide all necessary **and reasonable** assistance to respond. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor, through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.
- D.20. HIPAA Compliance. **To the extent applicable**, the State and Contractor shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), Health Information Technology for Economic and Clinical Health ("HITECH") Act and any other

relevant laws and regulations regarding privacy (collectively the "Privacy Rules"). The obligations set forth in this Section shall survive the termination of this Contract.

- a. Contractor warrants to the State that it is familiar with the requirements of the Privacy Rules, and will comply with all applicable requirements in the course of this Contract.
- b. Contractor warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by the Privacy Rules, in the course of performance of the Contract so that both parties will be in compliance with the Privacy Rules.
- c. The State and the Contractor will sign documents, including but not limited to business associate agreements, as required by the Privacy Rules and that are reasonably necessary to keep the State and Contractor in compliance with the Privacy Rules. This provision shall not apply if information received or delivered by the parties under this Contract is NOT "protected health information" as defined by the Privacy Rules, or if the Privacy Rules permit the parties to receive or deliver the information without entering into a business associate agreement or signing another document.
- d. Contractor will indemnify the State and hold it harmless for any violation by the Contractor or its subcontractors of the Privacy Rules. Contractor shall be responsible for the reasonable costs of responding to a breach of protected health information, the reasonable costs of responding to a government enforcement action related to the breach, and any reasonable fines, penalties, or damages assessed to the State which are solely attributable to Contractor's violation of the applicable Privacy Rules.

D.25. State and Federal Compliance. The Contractor shall comply with all applicable state and federal laws and regulations applicable to Contractor in the Contractor's performance of this Contract.

D.32. Insurance. Contractor shall maintain insurance coverage as specified in this Section. The State reserves the right to amend or require in accordance with industry standards, additional insurance limits coverage, coverage amounts, and endorsements required under this Contract with at least 60 days' notice to Contractor. Contractor's failure to maintain or submit evidence of insurance coverage by this Contract, as required, is a material breach of this Contract. If Contractor loses insurance coverage, fails to renew coverage, or for any reason becomes uninsured during the Term, Contractor shall promptly immediately notify the State. Insurance certificates for the policies shall include a statement confirming that should any of the required policies be cancelled prior to the expiration date thereof, notice shall be provided in accordance with the policy provisions. All insurance companies providing coverage must be: (a) acceptable to the State as required by this Contract; (b) authorized by the Tennessee Department of Commerce and Insurance ("TDCI"); and (c) rated A- / VII or better by A.M. Best. The workers' compensation, general liability, auto liability, and umbrella liability coverages. All coverage must be on a primary basis and noncontributory with any other insurance or self-insurance carried by the State. Contractor agrees to include name the State as an additional insured on any insurance policy with the exception of workers' compensation (employer liability) and professional liability (errors and omissions) insurance. The workers' compensation, general liability, auto liability, and umbrella liability All policies must contain an endorsement for a waiver of subrogation in favor of the State. This coverage may. Any deductible or self insured retention ("SIR") over fifty thousand dollars (\$50,000) must be provided via blanket endorsement, approved by the State. The deductible or SIR and any premiums are the Contractor's sole responsibility. The Contractor agrees that the insurance requirements specified in this Section do not reduce any liability the Contractor has assumed under this Contract including any indemnification or hold harmless requirements.

To achieve the required coverage amounts, a combination of an otherwise deficient specific policy and an umbrella policy with an aggregate meeting or exceeding the required coverage amounts is acceptable. For example: If the required policy limit under this Contract is for two million dollars (\$2,000,000) in coverage, acceptable coverage would include a specific policy

covering one million dollars (\$1,000,000) combined with an umbrella policy for an additional one million dollars (\$1,000,000). If the deficient underlying policy is for a coverage area without aggregate limits (generally Automobile Liability and Employers' Liability Accident), ~~Contractor shall provide a copy of the umbrella insurance policy documents to ensure that no aggregate limit applies to the umbrella policy for that coverage area.~~ In the event that an umbrella policy is being provided to achieve any required coverage amounts, the umbrella policy shall be accompanied by an endorsement at least as broad as the Insurance Services Office, Inc. (also known as "ISO") "Noncontributory—Other Insurance Condition" endorsement or shall be written on a policy form that addresses both the primary and noncontributory basis of the umbrella policy if the State is otherwise named as an additional insured.

Contractor shall provide the State a certificate of insurance ("COI") evidencing the coverages and amounts specified in this Section. The COI must be on a form approved by the TDCI (standard ACORD form preferred) **as of the date of Contract execution.** The COI must list each insurer's National Association of Insurance Commissioners (NAIC) number and be signed by an authorized representative of the insurer. The COI must list the State of Tennessee – CPO Risk Manager, 312 Rosa L. Parks Ave., 3rd floor Central Procurement Office, Nashville, TN 37243 as the certificate holder. Contractor shall provide the COI ten (10) business days prior to the Effective Date and again **within** thirty (30) calendar days **following before** renewal or replacement of coverage. ~~Contractor shall provide the State evidence that all subcontractors maintain the required insurance or that subcontractors are included under the Contractor's policy.~~ At any time, the State may require Contractor to provide a valid COI. The Parties agree that failure to provide evidence of insurance coverage as required **following thirty (30) business days written notice of non-compliance** is a material breach of this Contract. If Contractor self-insures, then a COI will not be required to prove coverage. Instead Contractor shall provide a certificate of self-insurance or a letter, on Contractor's letterhead, detailing its coverage, policy amounts, and proof of funds to reasonably cover such expenses. **Upon notification of a claim or litigation the** ~~The~~ State reserves the right to **request require** complete, certified copies of all ~~required~~ insurance policies **where the State is listed as an additional insured and where coverage could apply, including endorsements required by these specifications, at any time.**

The State agrees that it shall give written notice to the Contractor as soon as practicable after the State becomes aware of any claim asserted or made against the State, but in no event later than thirty (30) calendar days after the State becomes aware of such claim. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor or its insurer, through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.

The insurance obligations under this Contract shall be: ~~(1) all the insurance coverage and policy limits carried by the Contractor; or (2) the minimum insurance coverage requirements and policy limits shown in this Contract; whichever is greater. Any insurance proceeds in excess of or broader than the minimum required coverage and minimum required policy limits, which are applicable to a given loss, shall be available to the State.~~ No representation is made that the minimum insurance requirements of the Contract are sufficient to cover the obligations of the Contractor arising under this Contract. The Contractor shall obtain and maintain, at a minimum, the following insurance coverages and policy limits.

a. Commercial General Liability ("CGL") Insurance

- 1) The Contractor shall maintain CGL, which shall be written on an ISO Form CG 00 01 occurrence form (or a substitute form providing equivalent coverage) and shall cover liability arising from property damage, premises and operations products and completed operations, bodily injury, personal and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract).

The Contractor shall maintain single limits not less than one million dollars (\$1,000,000) per occurrence and \$2,000,000 annual aggregate. ~~If a general aggregate limit applies, either the general aggregate limit shall apply separately to this policy or location of occurrence or the general aggregate limit shall be twice the required occurrence limit.~~

b. Workers' Compensation and Employer Liability Insurance

- 1) For Contractors statutorily required to carry workers' compensation and employer liability insurance, the Contractor shall maintain:
 - i. Workers' compensation and employer liability insurance in the amounts required by appropriate state statutes.
- 2) **Reserved.** ~~If the Contractor certifies that it is exempt from the requirements of Tenn. Code Ann. §§ 50-6-101—103, then the Contractor shall furnish written proof of such exemption for one or more of the following reasons:~~
 - ~~i. The Contractor employs fewer than five (5) employees;~~
 - ~~ii. The Contractor is a sole proprietor;~~
 - ~~iii. The Contractor is in the construction business or trades with no employees;~~
 - ~~iv. The Contractor is in the coal mining industry with no employees;~~
 - ~~v. The Contractor is a state or local government; or~~
 - ~~vi. The Contractor self-insures its workers' compensation and is in compliance with the TDCI rules and Tenn. Code Ann. § 50-6-405.~~

c. Automobile Liability Insurance

- 1) The Contractor shall maintain automobile liability insurance which shall cover liability arising out of any automobile (including owned, leased, hired, and non-owned automobiles).
- 2) The Contractor shall maintain bodily injury/property damage with a limit not less than one million dollars (\$1,000,000) per occurrence or combined single limit.

d. Technology Professional Liability (Errors & Omissions)/Cyber Liability Insurance

- 1) The Contractor shall maintain technology professional liability (errors & omissions)/cyber liability insurance appropriate to the Contractor's profession in an amount not less than ten million dollars (\$10,000,000) per occurrence or claim and ten million dollars (\$10,000,000) annual aggregate, covering ~~all~~ acts, claims, errors, omissions, negligence, infringement of intellectual property (including copyright, ~~patent~~ and trade secret); network security and privacy risks, including but not limited to unauthorized access, failure of security, information theft, damage, ~~to~~ destruction, ~~of~~ or alteration of electronic information, breach of privacy perils, wrongful disclosure and release of private information, collection, or other negligence in the handling of confidential information, and including coverage for related regulatory fines, defenses, and penalties **where such regulatory fines, defenses, and penalties are legally insurable.**
- 2) Such coverage shall include data breach response expenses, in an amount not less than **ten (10)** million dollars (\$10,000,000) **annual aggregate**

~~and payable whether incurred by the State or Contractor~~, including but not limited to consumer notification, whether or not required by law, computer forensic investigations, public relations and crisis management firm fees, credit file or identity monitoring or remediation services ~~and expenses in the performance of services for the State or on behalf of the State hereunder.~~

e. Crime Insurance

- 1) The Contractor shall maintain crime insurance, which shall be written on a "loss sustained form" or "loss discovered form" providing coverage for third party fidelity, ~~including cyber theft and extortion.~~ The policy must allow for reporting of circumstances or incidents that may give rise to future claims ~~include an extended reporting period of no less than two (2) years with respect to events which occurred but were not reported during the term of the policy,~~ and not contain a condition requiring an arrest or conviction.
- 2) Any crime insurance policy shall have a limit not less than one million dollars (\$1,000,000) per claim and one million dollars (\$1,000,000) in the aggregate.
- 3) Any crime insurance policy shall contain a Social Engineering Fraud Endorsement with a limit of not less than two hundred and fifty thousand dollars (\$250,000) **annual aggregate.**
- 4) This insurance may be written on a claims-made basis, but in the event that coverage is cancelled or non-renewed, the Contractor shall purchase an extended reporting or "tail coverage" of at least one (1) year two (2) years after the Term, provided such coverage is readily available in the commercial marketplace

D.34. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Contractor by the State **or to the State by the Contractor** or acquired by the Contractor on behalf of the State that is regarded as confidential under state or federal law shall be regarded as "Confidential Information." Nothing in this Section shall permit ~~Contractor either party~~ to disclose any Confidential Information, regardless of whether it has been disclosed or made available to the ~~Contractor other party~~ due to intentional or negligent actions or inactions of agents of ~~the State a party~~ or third parties. Confidential Information shall not be disclosed except as required or permitted under state or federal law. ~~Contractor Each party~~ shall **only use Confidential information for activities pursuant to and related to the performance of the Contract.** ~~Contractor Each party~~ shall take all necessary steps to safeguard the confidentiality of such material or information in conformance with applicable state and federal law. **The State further agrees that all Data provided from The Work Number® under this Contract is Confidential Information and that such Data will be held in strict confidence and will only be used for the purpose(s) set forth in this Contract.**

The obligations set forth in this Section shall survive the termination of this Contract.

D.35. Equal Opportunity. The Contractor agrees as follows:

- a. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:

- (1) Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising;
- (2) Layoff or termination;
- (3) Rates of pay or other forms of compensation; and
- (4) Selection for training, including apprenticeship.

The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

- b. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
- c. Contractor will provide in its agreements with subcontractors such written provisions as are sufficient to enable Contractor to comply with the provisions of paragraphs (a) and (b) above
- d. In addition, to the extent applicable the Contractor agrees to comply with 41 C.F. R. § 60-1.4, as that section is amended from time to time during the term.

- E.4. Personally Identifiable Information. While performing its obligations under this Contract, Contractor may have access to Personally Identifiable Information held by the State ("PII"). For the purposes of this Contract, "PII" includes "Nonpublic Personal Information" as that term is defined in Title V of the Gramm-Leach-Bliley Act of 1999 or any successor federal statute, and the rules and regulations thereunder, all as may be amended or supplemented from time to time ("GLBA") and personally identifiable information and other data protected under any other applicable laws, rule or regulation of any jurisdiction relating to disclosure or use of personal information ("Privacy Laws"). Contractor agrees it shall not do or omit to do anything regarding the State's PII in the Contractor's possession which would directly cause the State to be in breach of any Privacy Laws.

Contractor shall, and shall cause its employees, agents and representatives to: (i) keep PII confidential and may use and disclose PII only as necessary to carry out those specific aspects of the purpose for which the PII was disclosed to Contractor and in accordance with this Contract, GLBA and Privacy Laws; and (ii) implement and maintain appropriate technical and organizational measures regarding information security to: (A) ensure the security and confidentiality of PII; (B) protect against any threats or hazards to the security or integrity of PII; and (C) prevent unauthorized access to or use of PII. The State may conduct an onsite security assessment ("Assessment") in order to examine Contractor's performance of this Contract. An Assessment shall be defined as the State having the right to, a) review policies and procedures; b) review high level network and infrastructure diagrams; c) review the executive summary of third party audit reports; d) participate in a "Question and Answer" session with subject matter experts; e) conduct site tour (site tour will not include access to the raised floor area of the datacenter); f) other items as may be approved by Equifax Security. An Assessment will be conducted (i) during regular business hours, (ii) at State's sole expense, (iii) no more frequently than once per calendar year, (iv) on a mutually agreed upon date but no less than thirty (30) days advance notice, and (v) subject to Contractor's security policies over its facilities and systems. State and its auditors shall not be given access to any of Contractor's systems for auditing purposes. The right to conduct an Assessment does not allow State to perform security testing, vulnerability assessment, or penetration testing against Contractor. As an alternative to allowing State, their clients, or their auditors to perform their own scans, Contractor shall either hire an independent nationally recognized third party to perform an ethical hack/penetration test annually, or where a third party is not feasible, will conduct an internal ethical hack/penetration test annually. State may review the executive summary results of either the third party test or the internal test either onsite at Contractor's company headquarters or via web conference. Contractor will not be required to provide access to the proprietary data of Contractor or of its other clients. All information learned or exchanged in connection with an Assessment shall be kept confidential. Upon State's written request at any time during the Term of this Contract

(including termination or completion of the Services hereunder), Contractor will purge, destroy, or otherwise render inaccessible, Data housed in the Contractor production database(s), provided that Contractor may retain archival copies of Data for audit and dispute resolution purposes and Contractor may retain copies of Data on encrypted back-up media in which such Data is co-resident with other employment and income data. Contractor shall remain under its contractual obligation of confidentiality and security to State during such retention and such obligations shall survive termination of the Contract.

Upon State's written request at any time during the Term of this Contract (including termination or completion of the Services hereunder), Contractor will purge, destroy, or otherwise render inaccessible, State PII housed in the Contractor production database(s), provided that Contractor may retain archival copies of PII for audit and dispute resolution purposes and Contractor may retain copies of PII on encrypted back-up media in which such PII is co-resident with other employment and income data. Contractor shall remain under its contractual obligation of confidentiality and security to State during such retention and such obligations shall survive termination of the Contract.

The Contractor shall report to the State any instances of actual or constructive knowledge of unauthorized access to or disclosure of PII in the custody or control of Contractor, any of its employees, agents or representatives in breach of this Contract ("Unauthorized Disclosure") that come to the Contractor's attention. Any such report shall be made by the Contractor within forty-eight (48) hours after the Unauthorized Disclosure has come to the attention of the Contractor. Notification may be delayed as required by law enforcement to prevent any impediment(s) to its investigation of the Incident. Contractor has actual or constructive knowledge of an Unauthorized Disclosure when Contractor actually knows there has been an Unauthorized Disclosure or Contractor has reasonable basis in facts or circumstances, whether acts or omissions, for its belief that an Unauthorized Disclosure has occurred. Contractor shall promptly take appropriate action, at Contractor's expense to halt any further Unauthorized Disclosures. The Contractor, at the sole discretion of the State, shall provide the provision of one (1) year of no cost credit monitoring services from Equifax Inc., (or a similar credit monitoring company) for individuals whose PII was affected by the Unauthorized Disclosure. The Contractor shall reimburse the State for the reasonable cost of notification to all individuals affected by the Unauthorized Disclosure, including individual letters and public notice. The remedies set forth in this Section are not exclusive and are in addition to any claims or remedies available to this State under this Contract or otherwise available at law. The obligations set forth in this Section shall survive the termination of this Contract.

- E.5. Federal Funding Accountability and Transparency Act (FFATA). This Contract requires the Contractor to provide supplies or services that are funded in whole or in part by federal funds that are subject to FFATA. The Contractor is responsible for ensuring that all applicable requirements, including but not limited to those set forth herein, of FFATA are met and that the Contractor provides information to the State as required **upon request**.

The Contractor shall comply with the following:

- a. Reporting of Total Compensation of the Contractor's Executives.
 - (1) The Contractor shall report the names and total compensation of each of its five most highly compensated executives for the Contractor's preceding completed fiscal year, if in the Contractor's preceding fiscal year it received:
 - i. 80 percent or more of the Contractor's annual gross revenues from federal procurement contracts and federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and sub-awards); and
 - ii. \$25,000,000 or more in annual gross revenues from federal procurement contracts (and subcontracts), and federal financial assistance subject to the Transparency Act (and sub-awards); and

- iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Securities and Exchange Commission total compensation filings at <http://www.sec.gov/answers/excomp.htm>.)

As defined in 2 C.F.R. § 170.315, "Executive" means officers, managing partners, or any other employees in management positions.

- (2) Total compensation means the cash and noncash dollar value earned by the executive during the Contractor's preceding fiscal year and includes the following (for more information see 17 C.F.R. § 229.402(c)(2)):
 - i. Salary and bonus.
 - ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
 - iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
 - iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
 - v. Above-market earnings on deferred compensation which is not tax qualified.
 - vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.
- b. The Contractor must report executive total compensation described above to the State by the end of the month during which this Contract is awarded.
- c. If this Contract is amended to extend the Term, the Contractor must submit an executive total compensation report to the State by the end of the month in which the term extension becomes effective.
- d. The Contractor will obtain a Data Universal Numbering System (DUNS) number and maintain its DUNS number for the term of this Contract. More information about obtaining a DUNS Number can be found at: <http://fedgov.dnb.com/webform/>

The Contractor's failure to comply with the above requirements is a material breach of this Contract for which the State may terminate this Contract for cause. The State will not be obligated to pay any outstanding invoice received from the Contractor unless and until the Contractor is in full compliance with the above requirements.

TENNCARE SPECIFIC TERMS:

- E.6. Applicable Legal Authority. The ~~Contractor~~ Parties agrees to comply with all applicable legal authority, including federal and State laws, rules, regulations, policies, sub-regulatory guidance, executive orders, TennCare waivers, the State Medicaid Manual, and all current, modified or future Court decrees, orders or judgments applicable to the State's TennCare Program. Such compliance shall be performed at no additional cost to the State.

- E.7. Employees Excluded from Medicare, Medicaid or CHIP. The Contractor does hereby attest, certify, warrant, and assure that the Contractor shall not knowingly employ, in the performance of this Contract, employees who have been excluded from participation in the Medicare, Medicaid, and/or CHIP programs pursuant to the Social Security Act, Section 1128 (Exclusion of Certain Individuals and Entities from Participation in Medicare and State Health Care Programs).
- E.8. Offer of Gratuities. By signing this contract, the Contractor signifies that no member of or a delegate of Congress, nor any elected or appointed official or employee of the State of Tennessee, the federal General Accounting Office, federal Department of Health and Human Services, the Center for Medicare and Medicaid Services, or any other state or federal agency has or will benefit financially or materially from this Contract. This Contract may be terminated by TennCare as provided in Section D.6, if it is determined that gratuities of any kind were offered to or received by any of the aforementioned officials or employees from the Contractor, its agent, or employees.
- E.9. Nondiscrimination Compliance Requirements.
- a. General Requirements. The Contractor shall comply with all applicable federal and state civil rights laws, regulations, rules, and policies, which may include, but are not limited to, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, and 42 U.S.C. § 18116 (codified at 45 C.F.R. pt. 92) and Contract Section D.9 of this Contract.
 - b. Records. The Contractor shall keep such records as may be necessary in order to submit timely, complete and accurate compliance reports that may be requested by the U.S. Department of Health and Human Services (“HHS”), the U.S. Department of Justice (“DOJ”), TennCare, and the Tennessee Human Rights Commission (“THRC”) or their designees. If requested, the information shall be provided in a format and timeframe specified by HHS, DOJ, TennCare, or THRC. The requested information may be necessary to enable HHS, DOJ, TennCare, or THRC to ascertain whether the Contractor is complying with the applicable civil rights laws. For example, the Contractor should have available data showing the manner in which services are or will be provided by the program in question, and related data necessary for determining whether any persons are or will be denied such services on the basis of prohibited discrimination. Further examples of data that could be requested can be found at 45 C.F.R. § 80.6 and 28 C.F.R. § 42.406.
 - c. Access. The Contractor shall permit access as set forth in the applicable civil rights laws, such as, 45 C.F.R. § 80.6 to HHS, DOJ, TennCare, and THRC or their designees during normal business hours to such of its books, records, accounts, and other sources of information, and its facilities as may be pertinent to ascertain whether the Contractor is complying with the applicable civil rights laws, subject to Contractor’ on-site security policies over its facilities and systems to the extent that said policies do not prevent the State’s ability to conduct the audit. If required to conduct such civil rights audit, Contractor may provide a screen share or attestation; however, will not provide access to any personnel records without redaction.
 - d. Discrimination Complaint Investigations. In the event, a discrimination complaint is filed by either a TennCare employee or a Contractor staff member alleging an incident claimed to be caused by either the Contractor’s staff or one of its subcontractors who are considered to be performing duties under this contact, the Contractor shall cooperate with TennCare’s Office of Civil Rights Compliance (“OCRC”) during the investigation and resolution of the complaint allegation. Should the Contractor receive a report of a discrimination complaint allegation related to the activities being performed under this contract, the Contractor shall inform OCRC of the complaint within two (2) business days from the date Contractor learns of the complaint, OCRC shall determine the complaint investigation outcome, resolution and/or corrective action.
 - e. Electronic and Information Technology Accessibility Requirements.

1. The Contractor shall comply with the civil rights requirements set forth in 42 C.F.R. § 433.112 regarding the design, development, installation or enhancement of mechanized processing and information retrieval systems. In addition, the Contractor shall participate in the State's effort to comply with the nondiscrimination requirements for acquiring automatic data and processing equipment and services set forth in 45 C.F.R. § 95.633.
 2. To the extent that the Contractor is using electronic and information technology to fulfill its obligations under this Contract, the Contractor agrees to comply with the electronic and information technology accessibility requirements under the federal civil rights laws including Section 504 and Section 508 of the Rehabilitation Act of 1973 ("Section 508"), the Americans with Disabilities Act, and 45 C.F.R. pt. 92 (or any subsequent standard adopted by an oversight administrative body, including the Federal Accessibility Board). To comply with the accessibility requirements for Web content and non-Web electronic documents and software, the Contractor shall use the most current W3C's Web Content Accessibility Guidelines ("WCAG") level A or higher (For the W3C's guidelines see: <https://www.w3.org/WAI/standards-guidelines/wcag/new-in-21/>) (More resources can be found at <https://www.w3.org/WAI/> and <https://www.access-board.gov/guidelines-and-standards/communications-and-it/>).
- f. Training. On an annual basis, the Contractor shall be responsible for making nondiscrimination training available to all Contractor staff performing Services hereunder and to its subcontractors that are considered to be recipients of federal financial assistance under this contract. The Contractor shall be able to show documented proof to OCRC that the training was made available to the Contractor's staff and to its subcontractors that are considered to be recipients of federal financial assistance under this contract.

E.10. Social Security Administration (SSA) Required Provisions for Data Security.

- a. Definitions.
 1. SSA-supplied data" or "data" as used in this section means an individual's personally identifiable information (e.g., name, social security number, income), supplied by the Social Security Administration to TennCare to determine entitlement or eligibility for federally-funded programs pursuant to a Computer Matching and Privacy Protection Act Agreement and Information Exchange Agreement between SSA and the State of Tennessee.
- b. The Contractor shall comply with limitations on use, treatment, and safeguarding of data under the Privacy Act of 1974 (5 U.S.C. 552a), as amended by the Computer Matching and Privacy Protection Act of 1988, related Office of Management and Budget guidelines, the Federal Information Security Management Act of 2002 (44 U.S.C. §3541, *et seq.*), and related National Institute of Standards and Technology guidelines, which provide the requirements that the SSA stipulates that the Contractor must follow with regard to use, treatment, and safeguarding data in the event data is exchanged with a federal information system. In addition, the Contractor shall have in place administrative, physical, and technical safeguards for data. The Contractor shall also comply with Section 1106(a) of the Act (42 U.S.C. 1306) and the regulations promulgated pursuant to that section (20 C.F.R. Part 401).
- c. The Contractor shall specify in its agreements with any agent or subcontractor that will have access to data that such agent or subcontractor agrees to be bound by the same restrictions, terms and conditions that apply to the Contractor pursuant to this Section;
- d. The Contractor shall not duplicate in a separate file or disseminate, without prior written permission from TennCare, the data governed by the Contract for any purpose other than that set forth in this Contract for the administration of the TennCare program. Should the Contractor propose a redisclosure of said data, the Contractor must specify in writing to TennCare the data the Contractor proposes to redisclose, to whom, and the reasons that justify the

redisclosure. TennCare will not give permission for such redisclosure unless the redisclosure is required by law or essential to the administration of the TennCare program.

- e. The Contractor agrees to abide by all relevant federal laws, restrictions on access, use, and disclosure, and security requirements in this Contract.
 - f. The Contractor shall maintain a current list of the employees of such contractor with access to SSA data and provide such lists to TennCare upon request and at any time there are changes.
 - g. The Contractor shall restrict access to the data obtained from TennCare to only those authorized employees who need such data to perform their official duties in connection with purposes identified in this Contract. The Contractor shall not further duplicate, disseminate, or disclose such data without obtaining TennCare's prior written approval.
 - h. The Contractor shall ensure that its employees:
 - 1. Properly safeguard SSA-supplied data furnished by TennCare under this Contract from loss, theft, or inadvertent disclosure;
 - 2. Receive regular, relevant, and sufficient SSA data-related training, including use, access, and disclosure safeguards and information regarding penalties for misuse of information;
 - 3. Understand and acknowledge that they are responsible for safeguarding this information at all times, regardless of whether or not the Contractor employee is at his or her regular duty station;
 - 4. Ensure that laptops and other electronic devices/ media containing SSA-supplied data are encrypted and/or password-protected;
 - 5. Send emails containing SSA-supplied data only if the information is encrypted or if the transmittal is secure; and,
 - 6. Limit disclosure of the information and details relating to a SSA-supplied data loss only to those with a need to know.
 - i. Contractor employees who access, use, or disclose TennCare or TennCare SSA-supplied data in a manner or purpose not authorized by this Contract may be subject to civil and criminal sanctions pursuant to applicable federal statutes.
 - j. Loss or Suspected Loss of Data - If an employee of the Contractor becomes aware of suspected or actual loss of SSA-supplied data, the Contractor must notify TennCare immediately upon becoming aware to report the actual or suspected loss. The Contractor must provide TennCare with timely updates as any additional information about the loss of SSA-supplied data becomes available. If the Contractor experiences a loss or breach of said data, TennCare will determine whether or not notice to individuals whose data has been lost or breached shall be provided and the Contractor shall bear any costs associated with the notice or any mitigation.
 - k. TennCare may immediately and unilaterally suspend the data flow under this Contract, or terminate this Contract, if TennCare, in its sole discretion, determines that the Contractor has: (1) made an unauthorized use or disclosure of TennCare SSA-supplied data; or (2) otherwise violated or failed to follow the terms and conditions of this Contract.
- E.11. Medicaid and CHIP. If applicable, the Contractor must provide safeguards that restrict the use or disclosure of information concerning Medicaid and Children's Health Insurance Plan (CHIP) applicants and beneficiaries to purposes directly connected with the administration of the plan.
- a. Purposes directly related to the administration of Medicaid and CHIP include:
 - 1. Establishing eligibility;
 - 2. Determining the amount of medical assistance;
 - 3. Providing services for beneficiaries; and,

4. Conducting or assisting an investigation, prosecution, or civil or criminal proceeding related to Medicaid or CHIP administration.
- b. The Contractor must have adequate safeguards to assure that:
1. Information is made available only to the extent necessary to assist in the valid administrative purposes of those receiving said information, and
 2. Information received under the Internal Revenue Code (Title 26 of the United States Code (USC)) is exchanged only with parties authorized to receive that information under that section of the United States Code; and, the information is adequately stored and processed so that it is protected against unauthorized disclosure for other purposes.
- c. The Contractor must have criteria that govern the types of information about applicants and beneficiaries that are safeguarded. This information must include, at minimum, the following:
1. Names and addresses;
 2. Medical services provided;
 3. Social and economic conditions or circumstances;
 4. Contractor evaluation of personal information;
 5. Medical data, including diagnosis and past history of disease or disability;
 6. Any information received for verifying income eligibility and amount of medical assistance payments, including income information received from the Social Security Administration (SSA) or the Internal Revenue Service (IRS);
 7. Income information received from SSA or the IRS must be safeguarded according to Medicaid and CHIP requirements;
 8. Any information received in connection with the identification of legally liable third-party resources; and,
 9. Social Security Numbers.
- d. The Contractor must have criteria approved by TennCare specifying:
1. Conditions for release and use of information about applicants and beneficiaries;
 2. Access to information concerning applicants or beneficiaries must be restricted to Contractor representatives or other individuals who are subject to standards of confidentiality that are comparable to those of TennCare;
 3. The Contractor shall not publish names of applicants or beneficiaries;
 4. The Contractor shall obtain permission from a family or individual, whenever possible, before responding to a request for information from an outside source, unless the information is to be used to verify income, eligibility and the amount of medical assistance payment to an authorized individual or entity, or if, because of an emergency situation, time does not permit obtaining consent before release, the Contractor shall notify TennCare, the family, or individual immediately after supplying the information.
 5. The Contractor's policies must apply to all requests for information from outside sources, including governmental bodies, the courts, or law enforcement officials.
 6. The Contractor shall notify TennCare of any requests for information on applicants or beneficiaries by other governmental bodies, the courts or law enforcement officials ten (10) days prior to releasing the requested information.

7. If a court issues a subpoena for a case record or for any Contractor representative to testify concerning an applicant or beneficiary, the Contractor must notify TennCare at least ten (10) days prior to the required production date so TennCare may inform the court of the applicable statutory provisions, policies, and regulations restricting disclosure of information.
 8. The Contractor shall not request or release information to other parties to verify income, eligibility, and the amount of assistance under Medicaid or CHIP prior to express approval from TennCare.
- E.12. Discovery and Litigation. TennCare is frequently involved in litigation as either a party or a non-party with relevant information. If any such litigation should arise, **Pursuant to this Contract**, the Contractor shall cooperate ~~fully and~~ timely with any State attorneys or paralegals at no additional cost to the State, which shall include the following responsibilities:
- a. **Litigation Support**. The Contractor shall make its **appropriate** personnel available to testify in Tennessee, whether in person before a tribunal or by deposition. The Contractor agrees to waive any objections to any subpoena issued by a Tennessee tribunal, in any case relating to this Contract.
 - b. **Discovery and Litigation Hold Requirements**. The Contractor shall cooperate with all TennCare requests to aid in data and document retention and collection, as required for litigation. The Contractor shall promptly provide the State with all information within the Contractor's control if required to do so by a discovery demand or court order **in accordance with applicable law**. The State will exert its best effort to narrow the scope of any discovery request.

The obligation to meet the discovery and litigation requirements listed above shall survive the termination of the Contract and shall extend to any subcontractor hired by the Contractor to provide goods or perform services on its behalf as required herein.

UNIVERSAL MEMBERSHIP AGREEMENT
for
Equifax Verification Services for Social Services

RECITALS:

- A. EVS operates The Work Number® (“TWN”), a service used to verify employment and income information about an individual (“Consumer”), and various other services (“EVS Services”) used to verify certain Consumer information (TWN and EVS Services are collectively referred to herein as the “Service”); and
- B. Agency wishes to use the Service to verify certain Consumer information.

NOW, THEREFORE, the parties agree as follows:

- 1. SCOPE OF THE AGREEMENT.** This Agreement consists of the general terms set forth in the body of this Agreement, Exhibit 1, Exhibit 2, and each Schedule A executed by the parties which may contain additional terms. If there is a conflict between the general terms and conditions of this Agreement and any Exhibit or Schedule, the provisions of the Exhibit or Schedule will govern and control. This Agreement specifically supersedes and replaces any agreement between the parties that predates this Agreement and which relates to the Service as provided in each Schedule A, even if the prior agreement contains an “entire agreement” or “merger” clause, and any such agreements are terminated.
- 2. EVS OBLIGATIONS.** TWN will provide Agency with automated access to certain employment and/or income data (“Data”) furnished to EVS by employers, and the EVS Service will provide Agency with access to certain other information (“Information”) as described in each Schedule A attached hereto.
- 3. AGENCY OBLIGATIONS.**
 - a. Agency shall comply with the terms set forth in this Agreement, and each Exhibit and Schedule attached hereto.
 - b. Agency shall pay for the Services as set forth in each applicable Schedule. Applicable sales, use, privilege, or excise taxes shall be included in each invoice, except as otherwise exempted in the applicable Schedule.
 - c. Agency certifies that it will order Data from TWN only when Agency (i) intends to use the Data in accordance with the Fair Credit Reporting Act (“FCRA”) and all state law FCRA counterparts as though the Data is a consumer report, and (ii) has obtained one of the following FCRA permissible purposes: (1) in connection with a credit transaction involving the Consumer on whom the Data is to be furnished and involving the extension of credit to, or review or collection of an account of, the consumer; (2) in connection with a determination of the consumer’s eligibility for a license or other benefit granted by a governmental instrumentality required by law to consider an applicant’s financial responsibility or status; or (3) when Agency otherwise has a legitimate business need for the information either in connection with a business transaction that is initiated by the Consumer, or to review an account to determine whether the Consumer continues to meet the terms of the account and for no other purpose.
 - d. Agency agrees to only use the Data consistent with the obligations of users of consumer reports as provided for in the Consumer Financial Protection Bureau (the “CFPB”)’s Notice Form attached as Exhibit 1.
 - e. Agency represents it (i) is administering a government funded benefit or program, (ii) has been given the legal authority to view the Data by the Consumer or by operation of law, and (iii) is requesting the Data in compliance with all laws.
 - f. Agency represents it has written authorization from the Consumer to verify income. Agency need not use any particular form of authorization or obtain a separate signature for verifying income provided that the form is auditable and demonstrates to a reasonable degree of certainty that the Consumer has authorized the Agency to receive the income Data. Notwithstanding the foregoing, in the event Agency is using the Service to collect on defaulted child support obligations, Agency is not required to obtain such authorization.
 - g. Agency certifies that it will comply with applicable provisions under Vermont law. In particular, Agency certifies that it will order Data relating to Vermont residents only after Agency has received prior Consumer consent in accordance with VFCRA Section 2480e and applicable Vermont Rules. Agency further certifies that the attached copy of VFCRA Section 2480e applicable Vermont Rules as referenced in Exhibit 2 was received from EVS. No provision in this Agreement, including any exhibits attached hereto or incorporated herein, shall be construed to waive or otherwise limit the sovereignty rights and privileges of the State of Tennessee. To the extent that this Agreement, including any exhibits attached hereto or incorporated herein, imposes any requirement to comply with the laws of any other state or local government, such requirement shall be limited to the extent allowable under Tennessee law.
 - h. Section 1785.14(a) of the California Civil Code imposes special requirements with respect to transactions in which a “retail seller” (as defined in Section 1802.3 of the California Civil Code) intends to issue credit to a California resident who appears in person on the basis of an application for credit submitted in person (“point of sale transactions”). Agency certifies that these requirements do not apply to it because Agency is NOT a “retail seller” (as defined in Section 1802.3 of the California Civil Code), and/or (b) Agency does NOT issue credit to California residents who appear in person on the basis of applications for credit submitted in person. Agency further certifies that it will notify EVS in writing 30 days PRIOR to becoming a retail seller or engaging in point of sale transactions with respect to California residents.

- i. Agency will comply with the provisions of the FCRA, the Federal Equal Credit Opportunity Act, as amended, all state law counterparts of them, and all applicable regulations promulgated under any of them, including, without limitation, any provisions requiring adverse action notification to the Consumer.
- j. Agency may use the Data and Information provided through the Service only as described in this Agreement. Agency may reproduce or store the Data and Information obtained from the Service solely for its own use in accordance with this Agreement, and will hold all Data and Information obtained from the Service under this Agreement in strict confidence and will not reproduce, reveal, or make it accessible in whole or in part, in any manner whatsoever, to any others unless permitted in this Agreement, required by law, or Agency first obtains EVS's written consent; provided, however, that Agency may discuss Consumer Data with the Data subject when Agency has taken adverse action against the subject based on the Data. Agency will not provide a copy of the Data to the Consumer, except as may be required or permitted by law or approved in writing by EVS, except in any state where this contractual prohibition would be invalid. Agency will refer the Consumer to EVS whenever the Consumer disputes the Data disclosed by Agency. Agency will not interpret the failure of EVS to return Data as a statement regarding that Consumer's credit worthiness, because the failure may result from one or more factors unrelated to credit worthiness.
- k. Agency acknowledges it shall employ decision making processes appropriate to the nature of the transaction and in accordance with industry standards and will use the Data and Information as part of its processes.
- l. "Processing" means accessing (including access to view), transmitting, using, or storing the Services, and any Data or Information provided or obtained through the Services (the "EVS Information"). Agency may Process EVS Information from the United States, Canada, and the United States territories of American Samoa, Guam, the Northern Mariana Islands, Puerto Rico, and the U. S. Virgin Islands (collectively, the "Permitted Territory"). Agency must (i) notify EVS thirty (30) days prior to Processing EVS Information from a location outside of the Permitted Territory, in accordance with the notice requirements described in this Agreement; and (ii) sign an International Access and Use Addendum with EVS prior to Processing EVS Information from a location out of the Permitted Territory. EVS reserves the right to deny any such request for reasons including, without limitation, regulatory requirements, security concerns, or existing contractual obligations. Notwithstanding the foregoing, Agency is prohibited from Processing EVS Information from an Embargoed Country. "Embargoed Country" means any country or geographic region subject to comprehensive economic sanctions or embargoes administered by OFAC or the European Union.
- m. Except as otherwise permitted in Section 4.b. below, Agency may not allow a third party service provider (hereafter "Service Provider") to access, use, or store the Data or Information on its behalf without first obtaining EVS's written permission and without the Service Provider first entering into a separate agreement with EVS.
- n. In order to ensure compliance with this Agreement, applicable law and EVS policies, EVS may conduct reviews of Agency activities, from time to time, during normal business hours, at all locations containing relevant records, with respect to Agency's requests for Data or Information and/or its use of Data or Information. Agency shall provide documentation within a reasonable time to EVS as reasonably requested for purposes of such review. Agency shall cooperate fully with any and all investigations by EVS of allegations of abuse or misuse of the Services and allow EVS to access its premises, records, and personnel for purposes of such investigations if EVS deems such access is necessary to complete such investigation(s). Agency agrees that any failure to cooperate fully and promptly in the conduct of any audit constitutes grounds for immediate suspension of the Service and/or termination of the Agreement, and (iii) shall promptly correct any discrepancy revealed by such investigation(s). Agency shall include the name and email address of the appropriate point of contact to whom such request should be made in the space provided below. Agency may change its contact information upon written notice:

Audit Contact Name	Audit Contact E-mail Address

- o. Additional representations and warranties as may be set forth in each Schedule A.
4. **DATA SECURITY.** This Section 4 applies to any means through which Agency orders or accesses the Service including without limitation, system-to-system, personal computer or the Internet. For the purposes of this Section 4, the term "Authorized User" means an Agency employee that Agency has authorized to order or access the Service and who is trained on Agency's obligations under this Agreement with respect to the ordering and use of the Service, and the Data provided through same, including Agency's FCRA and other obligations with respect to the access and use of Data.
- a. Agency will, with respect to handling any Data or Information provided through the Service:
 1. ensure that only Authorized Users can order or have access to the Service;
 2. ensure that Authorized Users do not order Data or Information for personal reasons or provide Data or Information to any third party except as permitted by this Agreement;
 3. inform Authorized Users that unauthorized access to Data may subject them to civil and criminal liability under the FCRA punishable by fines and imprisonment;
 4. ensure that all devices used by Agency to order or access the Service are placed in a secure location and are accessible only by Authorized Users, and that such devices are secured when not in use through such means as

- screen locks, shutting power controls off, or other security procedures and controls which are standard practice in the data protection industry (“Industry Standard Practices”), for example compliance with ISO 27001 standards ;
5. take all necessary measures to prevent unauthorized ordering of or access to the Service by any person other than an Authorized User for permissible purposes, including, without limitation, (i) limiting the knowledge of the Agency security codes, user names, UserIDs, and any passwords Agency may use, to those individuals with a need to know. In addition, the User IDs must be unique to each person, and the sharing of User IDs or passwords is prohibited;
 6. change Agency passwords at least every ninety (90) days or sooner if Agency suspects an unauthorized person has learned the password; and perform at a minimum, quarterly entitlement reviews to recertify and validate Authorized User’s access privileges and disable the account of any Agency user who is no longer responsible for accessing the Service;
 7. adhere to all security features in the software and hardware Agency uses to order or access the Services, including the use of IP restriction;
 8. implement secure authentication practices when providing User ID and passwords to Authorized Users, including but not limited to using individually assigned email addresses and not shared email accounts;
 9. in no event access the Services via any unregistered wireless hand-held communication device, that have not gone through Agency’s device enrollment, access, and authentication process. Such process shall be reviewed and approved by EVS prior to allowing access to Services via any hand-held communication device;
 10. not use non-agency owned assets such as personal computer hard drives or portable and/or removable data storage equipment or media (including but not limited to laptops, zip drives, tapes, disks, CDs, and DVDs) to store the Data or Information. In addition, Data and Information must be encrypted when not in use and all printed Data and Information must be stored in a secure, locked container when not in use, and must be completely destroyed when no longer needed by cross-cut shredding machines (or other equally effective destruction method) such that the results are not readable or useable for any purpose. In either case, Industry Standard Practices for the type of Data and Information received from EVS must be employed;
 11. if Agency sends, transfers or ships any Data or Information, encrypt the Data and Information using the following minimum standards, which standards may be modified from time to time by EVS: FIPS 140-2 compliant ciphers and algorithms;
 12. not ship hardware or software between Agency’s locations or to third parties without deleting all of EVS’s Confidential Information, Agency number(s), security codes, UserIDs, passwords, Agency user passwords, and any Consumer information, or Data;
 13. monitor compliance with the obligations of this Section 4, and immediately notify EVS if Agency suspects or knows of any unauthorized access or attempt to access the Service, including, without limitation, a review of EVS invoices for the purpose of detecting any unauthorized activity;
 14. if, subject to the terms of this Agreement, Agency uses a Service Provider to establish access to the Service, be responsible for the Service Provider’s use of Agency’s user names, security access codes, or passwords, and Agency will ensure the Service Provider safeguards Agency’s security access code(s), User IDs, and passwords through the use of security requirements that are no less stringent than those applicable to Agency under this Section 4;
 15. use Industry Standard Practices to assure data security when disposing of any Data and Information obtained from EVS. Such efforts must include the use of those procedures issued by the federal regulatory agency charged with oversight of Agency’s activities (e.g. the Federal Trade Commission, the applicable banking or credit union regulator) applicable to the disposal of consumer report information or records;
 16. use Industry Standard Practices to secure Data and Information when stored on servers, subject to the following requirements: (i) servers storing Data and Information must be separated from the Internet or other public networks by firewalls which are managed and configured to meet industry accepted best practices, (ii) Data and Information must be protected through multiple layers of network security, including but not limited to, industry-recognized firewalls, routers, and intrusion detection/prevention devices (IDS/IPS), (iii) access (both physical and network) to systems storing Data and Information must be secure, which must include authentication and passwords that are changed at least every ninety (90) days; and (iv) all servers must be kept current and patched on a timely basis with appropriate security-specific system patches, as they are available;
 17. not allow Data or Information to be displayed via the Internet unless utilizing, at a minimum, a three-tier architecture configured in accordance with industry best practices;
 18. use Industry Standard Practices to establish procedures and logging mechanisms for systems and networks that will allow tracking and analysis in the event there is a compromise, and maintain an audit trail history for at least three (3) months for review;

19. provide immediate notification to EVS of any change in address or office location and are subject to an onsite visit of the new location by EVS or its designated representative; and
 20. in the event Agency has a Security Incident involving EVS Confidential Information, Agency will fully cooperate with EVS in a security assessment process and promptly remediate any finding. For purposes of this Section 4, “**Security Incident**” means any actual breach, theft or unauthorized access, use, misuse, theft, vandalism, modification or transfer of or to Services or Data.
- b.** A cloud service provider (“**CSP**”) is a company that offers a component of cloud computing. CSPs generally offer Infrastructure as a Service (IaaS), Platform as a Service (PaaS), or Software as a Service (SaaS). Agency may use a CSP to process, transmit, or store Data and Information, subject to the requirements below.
1. Agency may use Amazon Web Services, Google Cloud Platform, Microsoft Azure, or Salesforce exclusively as their CSP, so long as Agency certifies its CSP has the following minimum requirements: (i) Data and Information at rest is encrypted [REDACTED]; (ii) Data and Information shall be encrypted in transit both internally and externally at a minimum of [REDACTED]; (iii) Agency shall manage all encryption keys within the Agency’s CSP; (iv) an inventory shall be kept of all Data and Information within the cloud environment; (v) Data and Information shall be logically and/or physically separated in multi-tenant environments in accordance with industry standards; and (vi) access control standards that include: user provisioning, regular access reviews, password requirements, need to know permissions, and least privilege principles.
 2. For all other CSPs, Agency certifies that Agency will, and will contractually obligate its CSP to, follow EVS’s minimum requirements: (i) Data and Information at rest is encrypted [REDACTED]; (ii) Data and Information shall be encrypted in transit both internally and externally [REDACTED] and/or [REDACTED]; (iii) Agency shall manage all encryption keys within the Agency’s CSP; (iv) an inventory shall be kept of all Data and Information within the cloud environment; (v) Data and Information shall be logically and/or physically separated in multi-tenant environments in accordance with industry standards; (vi) access control standards that include: user provisioning, regular access reviews, password requirements, need to know permissions, and least privilege principles; (vii) utilization of secure data destruction techniques shall be used to destroy Data and Information in accordance with industry standards; (viii) assets that are no longer needed for legal purposes shall be destroyed in accordance with industry standard; (ix) incident handling and forensic support shall be provided in the event of an investigation or Security Incident; (x) cloud hosted systems shall be patched at the most current levels and have vulnerabilities addressed in accordance with industry standards; (xi) information systems and infrastructures shall follow industry security hardening standard such as DISA STIG or CIS guidance; (xii) CSP’s application environment shall be certified by an independent third party (SOC 2 Type 2), if operating in a hybrid environment, a SOC 2 Type 2 or equivalent shall also be required for the Agency; (xiii) Third parties providing support services to the Agency or Agency’s CSP shall not have access to Data and Information without prior consent of EVS; (xiv) CSP shall have network-based Intrusion Detection Systems (IDS) and/or Intrusion Prevention Systems (IPS) tools deployed in or around the cloud network infrastructure; (xv) centralized logging and monitoring of the CSP’s infrastructure/environment; and (xvi) Agency shall utilize multi-factor authentication (MFA) to remotely access CSP’s infrastructure/environment.
- c.** If EVS reasonably believes Agency has violated this Section 4, EVS may, in addition to any other remedy authorized by this Agreement, with reasonable advance written notice to Agency and at EVS’s sole expense, conduct, or have a third party conduct on its behalf, an audit of Agency’s facilities, security practices and procedures to the extent EVS reasonably deems necessary, including an on-site inspection, to evaluate Agency’s compliance with the data security requirements of this Section 4.
5. **CONFIDENTIALITY.** Reserved.
 6. **TERM AND TERMINATION.** This Agreement shall be for the term, and terminated as specified in the Contract to which this is attached.
 7. **RIGHTS TO SERVICE.** The Service and the Data are proprietary to EVS; and all rights to the Service and Data are proprietary to and reserved by EVS.
 8. **WARRANTY.** Reserved.
 9. **FORCE MAJEURE.** Reserved.
 10. **INDEMNIFICATION.** Reserved.
 11. **LIMITATION OF LIABILITY** Reserved.
 12. **WAIVER OF JURY TRIAL.** Reserved.
 13. **MISCELLANEOUS.** Together with the Contract in which this Agreement is incorporated by reference, this Agreement sets forth the entire agreement between the parties regarding the Service. Except as otherwise provided in this Agreement, this Agreement may be amended only by a subsequent writing signed by both parties. This Agreement may not be assigned or transferred by Agency without EVS’s prior written consent. If any provision of this Agreement is held to be invalid or unenforceable under applicable law in any jurisdiction, the validity or enforceability of the remaining provisions thereof shall be unaffected as to such jurisdiction and such holding shall not affect the validity or enforceability of such provision in any

other jurisdiction. To the extent that any provision of this Agreement is held to be invalid or unenforceable because it is overbroad, that provision shall not be void but rather shall be limited only to the extent required by applicable law and enforced as so limited.

14. NOTICES. Reserved

UNIVERSAL MEMBERSHIP AGREEMENT
for
Equifax Verification Services

Exhibit 1

All users of consumer reports must comply with all applicable regulations, including regulations promulgated after this notice was first prescribed in 2004. Information about applicable regulations currently in effect can be found at the Consumer Financial Protection Bureau's website, www.consumerfinance.gov/learnmore.

**NOTICE TO USERS OF CONSUMER REPORTS:
OBLIGATIONS OF USERS UNDER THE FCRA**

The Fair Credit Reporting Act (FCRA), 15 U.S.C. 1681-1681y, requires that this notice be provided to inform users of consumer reports of their legal obligations. State law may impose additional requirements. The text of the FCRA is set forth in full at the Bureau of Consumer Financial Protection's website at www.consumerfinance.gov/learnmore. At the end of this document is a list of United States Code citations for the FCRA. Other information about user duties is also available at the Bureau's website. **Users must consult the relevant provisions of the FCRA for details about their obligations under the FCRA.**

The first section of this summary sets forth the responsibilities imposed by the FCRA on all users of consumer reports. The subsequent sections discuss the duties of users of reports that contain specific types of information, or that are used for certain purposes, and the legal consequences of violations. If you are a furnisher of information to a consumer reporting agency (CRA), you have additional obligations and will receive a separate notice from the CRA describing your duties as a furnisher.

I. OBLIGATIONS OF ALL USERS OF CONSUMER REPORTS

A. Users Must Have a Permissible Purpose

Congress has limited the use of consumer reports to protect consumers' privacy. All users must have a permissible purpose under the FCRA to obtain a consumer report. Section 604 contains a list of the permissible purposes under the law. These are:

- As ordered by a court or a federal grand jury subpoena. Section 604(a)(1)
- As instructed by the consumer in writing. Section 604(a)(2)
- For the extension of credit as a result of an application from a consumer, or the review or collection of a consumer's account. Section 604(a)(3)(A)
- For employment purposes, including hiring and promotion decisions, where the consumer has given written permission. Sections 604(a)(3)(B) and 604(b)
- For the underwriting of insurance as a result of an application from a consumer. Section 604(a)(3)(C)
- When there is a legitimate business need, in connection with a business transaction that is initiated by the consumer. Section 604(a)(3)(F)(i)
- To review a consumer's account to determine whether the consumer continues to meet the terms of the account. Section 604(a)(3)(F)(ii)
- To determine a consumer's eligibility for a license or other benefit granted by a governmental instrumentality required by law to consider an applicant's financial responsibility or status. Section 604(a)(3)(D)
- For use by a potential investor or servicer, or current insurer, in a valuation or assessment of the credit or prepayment risks associated with an existing credit obligation. Section 604(a)(3)(E)

- For use by state and local officials in connection with the determination of child support payments, or modifications and enforcement thereof. Sections 604(a)(4) and 604 (a)(5)

In addition, creditors and insurers may obtain certain consumer report information for the purpose of making “prescreened” unsolicited offers of credit or insurance. Section 604(c). The particular obligations of users of “prescreened” information are described in Section VII below.

B. Users Must Provide Certifications

Section 604(f) prohibits any person from obtaining a consumer report from a consumer reporting agency (CRA) unless the person has certified to the CRA the permissible purpose(s) for which the report is being obtained and certifies that the report will not be used for any other purpose.

C. Users Must Notify Consumers When Adverse Actions Are Taken

The term “adverse action” is defined very broadly by Section 603. “Adverse actions” include all business, credit, and employment actions affecting consumers that can be considered to have a negative impact as defined by Section 603(k) of the FCRA – such as denying or canceling credit or insurance, or denying employment or promotion. No adverse action occurs in a credit transaction where the creditor makes a counteroffer that is accepted by the consumer.

1. Adverse Actions Based on Information Obtained From a CRA

If a user takes any type of adverse action as defined by the FCRA that is based at least in part on information contained in a consumer report, Section 615(a) requires the user to notify the consumer. The notification may be done in writing, orally, or by electronic means. It must include the following:

- The name, address, and telephone number of the CRA (including a toll-free telephone number, if it is a nationwide CRA) that provided the report.
- A statement that the CRA did not make the adverse decision and is not able to explain why the decision was made.
- A statement setting forth the consumer’s right to obtain a free disclosure of the consumer’s file from the CRA if the consumer makes a request within 60 days.
- A statement setting forth the consumer’s right to dispute directly with the CRA the accuracy or completeness of any information provided by the CRA.

2. Adverse Actions Based on Information Obtained From Third Parties Who Are Not Consumer Reporting Agencies

If a person denies (or increases the charge for) credit for personal, family, or household purposes based either wholly or partly upon information from a person other than a CRA, and the information is the type of consumer information covered by the FCRA, Section 615(b)(1) requires that the user clearly and accurately disclose to the consumer his or her right to be told the nature of the information that was relied upon if the consumer makes a written request within 60 days of notification. The user must provide the disclosure within a reasonable period of time following the consumer's written request.

3. Adverse Actions Based on Information Obtained From Affiliates

If a person takes an adverse action involving insurance, employment, or a credit transaction initiated by the consumer, based on information of the type covered by the FCRA, and this information was obtained from an entity affiliated with the user of the information by common ownership or control, Section 615(b)(2) requires the user to notify the consumer of the adverse action. The notice must inform the consumer that he or she may obtain a disclosure of the nature of the information relied upon by making a written request within 60 days of receiving the adverse action notice. If the consumer makes such a request, the user must disclose the nature of the information not later than 30 days after receiving the request. If consumer report information is shared among affiliates and then used for an adverse action, the user must make an adverse action disclosure as set forth in I.C.1 above.

D. Users Have Obligations When Fraud and Active Duty Military Alerts are in Files

When a consumer has placed a fraud alert, including one relating to identity theft, or an active duty military alert with a nationwide consumer reporting agency as defined in Section 603(p) and resellers,

Section 605A(h) imposes limitations on users of reports obtained from the consumer reporting a agency in certain circumstances, including the establishment of a new credit plan and the issuance of additional credit cards. For initial fraud alerts and active duty alerts, the user must have reasonable policies and procedures in place to form a belief that the user knows the identity of the applicant or contact the consumer at a telephone number specified by the consumer; in the case of extended fraud alerts, the user must contact the consumer in accordance with the contact information provided in the consumer's alert.

E. Users Have Obligations When Notified of an Address Discrepancy

Section 605(h) requires nationwide CRAs, as defined in Section 603(p), to notify users that request reports when the address for a consumer provided by the user in requesting the report is substantially different from the addresses in the consumer's file. When this occurs, users must comply with regulations specifying the procedures to be followed, which will be issued by the Consumer Financial Protection Bureau and the banking and credit union regulators. The Consumer Financial Protection Bureau regulations will be available at www.consumerfinance.gov/learnmore.

F. Users Have Obligations When Disposing of Records

Section 628 requires that all users of consumer report information have in place procedures to properly dispose of records containing this information. The Consumer Financial Protection Bureau, the Securities and Exchange Commission, and the banking and credit union regulators have issued regulations covering disposal. The Consumer Financial Protection Bureau regulations may be found at www.consumerfinance.gov/learnmore.

II. CREDITORS MUST MAKE ADDITIONAL DISCLOSURES

If a person uses a consumer report in connection with an application for, or a grant, extension, or provision of, credit to a consumer on material terms that are materially less favorable than the most favorable terms available to a substantial proportion of consumers from or through that person, based in whole or in part on a consumer report, the person must provide a risk-based pricing notice to the consumer in accordance with regulations prescribed by the Consumer Financial Protection Bureau.

Section 609(g) requires a disclosure by all persons that make or arrange loans secured by residential real property (one to four units) and that use credit scores. These persons must provide credit scores and other information about credit scores to applicants, including the disclosure set forth in Section 609(g)(1)(D) ("Notice to the Home Loan Applicant").

III. OBLIGATIONS OF USERS WHEN CONSUMER REPORTS ARE OBTAINED FOR EMPLOYMENT PURPOSES

A. Employment Other Than in the Trucking Industry

If information from a CRA is used for employment purposes, the user has specific duties, which are set forth in Section 604(b) of the FCRA. The user must:

- Make a clear and conspicuous written disclosure to the consumer before the report is obtained, in a document that consists solely of the disclosure, that a consumer report may be obtained.
- Obtain from the consumer prior written authorization. Authorization to access reports during the term of employment may be obtained at the time of employment.
- Certify to the CRA that the above steps have been followed, that the information being obtained will not be used in violation of any federal or state equal opportunity law or regulation, and that, if any adverse action is to be taken based on the consumer report, a copy of the report and a summary of the consumer's rights will be provided to the consumer.
- Before taking an adverse action, the user must provide a copy of the report to the consumer as well as the summary of consumer's rights. (The user should receive this summary from the CRA.) A Section 615(a) adverse action notice should be sent after the adverse action is taken.

An adverse action notice also is required in employment situations if credit information (other than transactions and experience data) obtained from an affiliate is used to deny employment. Section 615(b)(2)

The procedures for investigative consumer reports and employee misconduct investigations are set forth below.

B. Employment in the Trucking Industry

Special rules apply for truck drivers where the only interaction between the consumer and the potential employer is by mail, telephone, or computer. In this case, the consumer may provide consent orally or electronically, and an adverse action may be made orally, in writing, or electronically. The consumer may obtain a copy of any report relied upon by the trucking company by contacting the company.

IV. OBLIGATIONS WHEN INVESTIGATIVE CONSUMER REPORTS ARE USED

Investigative consumer reports are a special type of consumer report in which information about a consumer's character, general reputation, personal characteristics, and mode of living is obtained through personal interviews by an entity or person that is a consumer reporting agency. Consumers who are the subjects of such reports are given special rights under the FCRA. If a user intends to obtain an investigative consumer report, Section 606 requires the following:

- The user must disclose to the consumer that an investigative consumer report may be obtained. This must be done in a written disclosure that is mailed, or otherwise delivered, to the consumer at some time before or not later than three days after the date on which the report was first requested. The disclosure must include a statement informing the consumer of his or her right to request additional disclosures of the nature and scope of the investigation as described below, and the summary of consumer rights required by Section 609 of the FCRA. (The summary of consumer rights will be provided by the CRA that conducts the investigation.)
- The user must certify to the CRA that the disclosures set forth above have been made and that the user will make the disclosure described below.
- Upon the written request of a consumer made within a reasonable period of time after the disclosures required above, the user must make a complete disclosure of the nature and scope of the investigation. This must be made in a written statement that is mailed, or otherwise delivered, to the consumer no later than five days after the date on which the request was received from the consumer or the report was first requested, whichever is later in time.

V. SPECIAL PROCEDURES FOR EMPLOYEE INVESTIGATIONS

Section 603(x) provides special procedures for investigations of suspected misconduct by an employee or for compliance with Federal, state or local laws and regulations or the rules of a self-regulatory organization, and compliance with written policies of the employer. These investigations are not treated as consumer reports so long as the employer or its agent complies with the procedures set forth in Section 603(x), and a summary describing the nature and scope of the inquiry is made to the employee if an adverse action is taken based on the investigation.

VI. OBLIGATIONS OF USERS OF MEDICAL INFORMATION

Section 604(g) limits the use of medical information obtained from consumer reporting agencies (other than payment information that appears in a coded form that does not identify the medical provider). If the information is to be used for an insurance transaction, the consumer must give consent to the user of the report or the information must be coded. If the report is to be used for employment purposes – or in connection with a credit transaction (except as provided in regulations issued by the banking and credit union regulators) – the consumer must provide specific written consent and the medical information must be relevant. Any user who receives medical information shall not disclose the information to any other person (except where necessary to carry out the purpose for which the information was disclosed, or as permitted by statute, regulation, or order).

VII. OBLIGATIONS OF USERS OF "PRESCREENED" LISTS

The FCRA permits creditors and insurers to obtain limited consumer report information for use in connection with unsolicited offers of credit or insurance under certain circumstances. Sections 603(l), 604(c), 604(e), and 615(d). This practice is known as "prescreening" and typically involves obtaining from a CRA a list of consumers who meet certain preestablished criteria. If any person intends to use prescreened lists, that person must (1) before the offer is made, establish the criteria that will be relied upon to make the offer and to grant credit or insurance, and (2) maintain such criteria on file for a three-year period beginning on the date on which the offer is made to each consumer. In addition, any user must provide with each written solicitation a clear and conspicuous statement that:

- Information contained in a consumer's CRA file was used in connection with the transaction.
- The consumer received the offer because he or she satisfied the criteria for credit worthiness or insurability used to screen for the offer.

- Credit or insurance may not be extended if, after the consumer responds, it is determined that the consumer does not meet the criteria used for screening or any applicable criteria bearing on credit worthiness or insurability, or the consumer does not furnish required collateral.
- The consumer may prohibit the use of information in his or her file in connection with future prescreened offers of credit or insurance by contacting the notification system established by the CRA that provided the report. The statement must include the address and toll-free telephone number of the appropriate notification system.

In addition, Consumer Financial Protection Bureau has established the format, type size, and manner of the disclosure required by Section 615(d), with which users must comply. The relevant regulation is 12 CFR 1022.54.

VIII. OBLIGATIONS OF RESELLERS

A. Disclosure and Certification Requirements

Section 607(e) requires any person who obtains a consumer report for resale to take the following steps:

- Disclose the identity of the end-user to the source CRA.
- Identify to the source CRA each permissible purpose for which the report will be furnished to the end-user.
- Establish and follow reasonable procedures to ensure that reports are resold only for permissible purposes, including procedures to obtain:
 - (1) the identity of all end-users;
 - (2) certifications from all users of each purpose for which reports will be used; and
 - (3) certifications that reports will not be used for any purpose other than the purpose(s) specified to the reseller. Resellers must make reasonable efforts to verify this information before selling the report.

B. Reinvestigations by Resellers

Under Section 611(f), if a consumer disputes the accuracy or completeness of information in a report prepared by a reseller, the reseller must determine whether this is a result of an action or omission on its part and, if so, correct or delete the information. If not, the reseller must send the dispute to the source CRA for reinvestigation. When any CRA notifies the reseller of the results of an investigation, the reseller must immediately convey the information to the consumer.

C. Fraud Alerts and Resellers

Section 605A(f) requires resellers who receive fraud alerts or active duty alerts from another consumer reporting agency to include these in their reports.

IX. LIABILITY FOR VIOLATIONS OF THE FCRA

Failure to comply with the FCRA can result in state government or federal government enforcement actions, as well as private lawsuits. Sections 616, 617, and 621. In addition, any person who knowingly and willfully obtains a consumer report under false pretenses may face criminal prosecution. Section 619.

The Consumer Financial Protection Bureau website, www.consumerfinance.gov/learnmore, has more information about the FCRA.

Citations for FCRA sections in the U.S. Code, 15 U.S.C. § 1681 et seq.:

Section 602	15 U.S.C. 1681
Section 603	15 U.S.C. 1681a
Section 604	15 U.S.C. 1681b
Section 605	15 U.S.C. 1681c
Section 605A	15 U.S.C. 1681cA
Section 605B	15 U.S.C. 1681cB
Section 606	15 U.S.C. 1681d
Section 607	15 U.S.C. 1681e
Section 608	15 U.S.C. 1681f
Section 609	15 U.S.C. 1681g
Section 610	15 U.S.C. 1681h

Section 611	15 U.S.C. 1681i
Section 612	15 U.S.C. 1681j
Section 613	15 U.S.C. 1681k
Section 614	15 U.S.C. 1681l
Section 615	15 U.S.C. 1681m
Section 616	15 U.S.C. 1681n
Section 617	15 U.S.C. 1681o
Section 618	15 U.S.C. 1681p
Section 619	15 U.S.C. 1681q
Section 620	15 U.S.C. 1681r
Section 621	15 U.S.C. 1681s
Section 622	15 U.S.C. 1681s-1
Section 623	15 U.S.C. 1681s-2
Section 624	15 U.S.C. 1681t
Section 625	15 U.S.C. 1681u
Section 626	15 U.S.C. 1681v
Section 627	15 U.S.C. 1681w
Section 628	15 U.S.C. 1681x
Section 629	15 U.S.C. 1681y

**UNIVERSAL MEMBERSHIP AGREEMENT
for
Equifax Verification Services**

Exhibit 2

VERMONT FAIR CREDIT REPORTING CONTRACT CERTIFICATION

The undersigned, (“Agency”), acknowledges that it subscribes to receive various information services from Equifax Workforce Solutions LLC, provider of Equifax Verification Services (“EVS”), in accordance with the Vermont Fair Credit Reporting Statute, 9 V.S.A. § 2480e (1999), as amended (the “VFCRA”), and the federal Fair Credit Reporting Act, 15, U.S.C. 1681 et. seq., as amended (the “FCRA”), and its other state law counterparts. In connection with Agency’s continued use of EVS services in relation to Vermont consumers, Agency hereby certifies as follows:

Vermont Certification. Agency certifies that it will comply with applicable provisions under Vermont law. In particular, Agency certifies that it will order Data relating to Vermont residents, that are credit reports as defined by the VFCRA, only after Agency has received prior consumer consent in accordance with VFCRA § 2480e and applicable Vermont Rules. Agency further certifies that the attached copy of VFCRA § 2480e applicable Vermont Rules were received from EVS.

Agency: _____

Signed By: _____

Printed Name and Title: _____

Account Number: _____

Date: _____

Please also include the following information:

Compliance Officer or Person Responsible for Credit Reporting Compliance

Name: _____

Title: _____

Mailing Address: _____

E-Mail Address: _____

Phone: _____ Fax: _____

Vermont Fair Credit Reporting Statute, 9 V.S.A. § 2480e (1999)

§ 2480e. Consumer consent

(a) A person shall not obtain the credit report of a consumer unless:

- (1) the report is obtained in response to the order of a court having jurisdiction to issue such an order; or
- (2) the person has secured the consent of the consumer, and the report is used for the purpose consented to by the consumer.

(b) Credit reporting agencies shall adopt reasonable procedures to assure maximum possible compliance with subsection (a) of this section.

(c) Nothing in this section shall be construed to affect:

(1) the ability of a person who has secured the consent of the consumer pursuant to subdivision (a)(2) of this section to include in his or her request to the consumer permission to also obtain credit reports, in connection with the same transaction or extension of credit, for the purpose of reviewing the account, increasing the credit line on the account, for the purpose of taking collection action on the account, or for other legitimate purposes associated with the account; and

(2) the use of credit information for the purpose of prescreening, as defined and permitted from time to time by the Federal Trade Commission.

VERMONT RULES * CURRENT THROUGH JUNE 1999 *****
AGENCY 06. OFFICE OF THE ATTORNEY GENERAL
SUB-AGENCY 031. CONSUMER PROTECTION DIVISION
CHAPTER 012. Consumer Fraud--Fair Credit Reporting
RULE CF 112 FAIR CREDIT REPORTING
CVR 06-031-012, CF 112.03 (1999)
CF 112.03 CONSUMER CONSENT

(a) A person required to obtain consumer consent pursuant to 9 V.S.A. §§ 2480e and 2480g shall obtain said consent in writing if the consumer has made a written application or written request for credit, insurance, employment, housing or governmental benefit. If the consumer has applied for or requested credit, insurance, employment, housing or governmental benefit in a manner other than in writing, then the person required to obtain consumer consent pursuant to 9 V.S.A. §§ 2480e and 2480g shall obtain said consent in writing or in the same manner in which the consumer made the application or request. The terms of this rule apply whether the consumer or the person required to obtain consumer consent initiates the transaction.

(b) Consumer consent required pursuant to 9 V.S.A. §§ 2480e and 2480g shall be deemed to have been obtained in writing if, after a clear and adequate written disclosure of the circumstances under which a credit report or credit reports may be obtained and the purposes for which the credit report or credit reports may be obtained, the consumer indicates his or her consent by providing his or her signature.

(c) The fact that a clear and adequate written consent form is signed by the consumer after the consumer's credit report has been obtained pursuant to some other form of consent shall not affect the validity of the earlier consent.

Limitation of Contractor's Liability Request

Any change to the template language regarding the Limitation of Contractor's Liability shall be submitted using this Limitation of Contractor's Liability Request and must be in accordance with Tenn. Code Ann. §12-3-701. Approval of the Chief Procurement Officer and the Comptroller of the Treasury is required if the proposed limitation of contractor liability is an amount less than two (2) times the maximum liability, estimated liability, or maximum revenue of a contract. Approval of the Chief Procurement Officer is required if the proposed limitation of contractor liability is an amount greater than two (2) times the maximum liability, estimated liability, or maximum revenue of a contract.

Upload the completed document and route for approvals by selecting the Limitation of Liability Request e-Form in Edison. For additional guidance, please see the e-Forms Job Aid available online at the following:

<https://www.teamtn.gov/cpo/learning-development/cpo-job-aids.html>. NOTE: Any request to replace or alter the Limitation of State's Liability language in a State contract shall be made with a Rule Exception Request (RER) and not with this Limitation of Contractor's Liability Request.

APPROVED	APPROVED
CHIEF PROCUREMENT OFFICER DATE	COMPTROLLER OF THE TREASURY (only for <2 times) DATE

Request Tracking #	31865-00857
1. Contracting Agency	Department of Finance and Administration, Division of TennCare
2. Solicitation or Contract #	TBD
3. Requestor Contact Information – name, e-mail address & telephone #	Matt Brimm Matt.brimm@tn.gov 615-687-5811
4. Proposed Contract Period –with ALL options to extend exercised	60 months
5. Anticipated Contract Maximum Liability, Estimated Liability or Maximum Revenue –with ALL options to extend exercised	\$ 20,000,000.00
<p>6. Approval of this request will permit a limitation of contractor liability by means of the following contract provision.</p> <p>D.18. Limitation of Contractor's Liability. In accordance with Tenn. Code Ann. § 12-3-701, the Contractor's liability for all claims arising under this Contract shall be limited to an amount equal to two (2) times the Maximum Liability amount detailed in Section C. 1. and as may be amended, PROVIDED THAT in no event shall this Section limit the liability of the Contractor for: (i) intellectual property or any Contractor indemnity obligations for infringement for third-party intellectual property rights; (ii) any claims covered by any specific provision in the Contract providing for liquidated damages; or (iii) any claims for intentional torts, criminal acts,</p>	

Request Tracking #	31865-00857
<p>fraudulent conduct, or acts or omissions that result in personal injuries or death. For clarity, except as otherwise expressly set forth in this Section, Contractor's indemnification obligations and other remedies available under this Contract are subject to the limitations on liability set forth in this Section. In no event shall Contractor be liable to the State or any other party for any lost revenues or indirect, special, incidental, consequential, exemplary, or punitive damages, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Contract or otherwise.</p>	
<p>7. Goods or Services Description – <i>brief summary only– do NOT restate the proposed scope of service</i></p> <p>Social service employment and income verification services.</p>	
<p>8. Potential Risks of Liability to the State Resulting from the Procurement</p> <p>Through CPO negotiations conducted under the current Equifax Workforce Solutions LLC. Contract# 73212, in agreement with TennCare Legal, the risk associated to this contract change is low considering the Contractor will still be required to abide by Tenn. Code Ann. § 12-3-701 at two (2) times the maximum liability.</p>	
<p>9. Anticipated Impact of Proposed Limitation of Liability on the State</p> <p>TennCare does not foresee any negative implications associated to the requested language change.</p>	
<p>10. Justification</p> <p>TennCare requests these changes in order to procure these services that will allow the agency to satisfy CMS/Federal requirements associated to employment and income verification services. Equifax Workforce Solutions LLC. is the only known provider of these services.</p>	
<p>Signature of Agency head or authorized designee, title of signatory, and date (the authorized designee may sign his or her own name if indicated on the Signature Certification and Authorization document)</p> <p>Jim Bryson Digitally signed by Jim Bryson Date: 2022.09.12 07:46:06 -05'00'</p>	



CONTRACT

(fee-for-goods or services contract with an individual, business, non-profit, or governmental entity of another state)

Begin Date January 1, 2023	End Date December 31, 2025	Agency Tracking # 31865-00857	Edison Record ID
Contractor Legal Entity Name Equifax Workforce Solutions LLC			Edison Vendor ID 0000071923

Goods or Services Caption (one line only)
The Work Number® Social Service Verifications

Contractor <input checked="" type="checkbox"/> Contractor	CFDA # 93.778
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Funding —					
FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2023	\$769,625.00	\$769,625.00			\$1,539,250.00
2024	\$1,596,409.50	\$1,596,409.50			\$3,192,819.00
2025	\$1,723,208.00	\$1,723,208.00			\$3,446,416.00
2026	\$896,423.50	\$896,423.50			\$1,792,847.00
2027					
TOTAL:	\$4,985,666.00	\$4,985,666.00			\$9,971,332.00

Contractor Ownership Characteristics:

Minority Business Enterprise (MBE):
 African American Asian American Hispanic American Native American

Woman Business Enterprise (WBE)

Tennessee Service Disabled Veteran Enterprise (SDVBE)

Disabled Owned Business (DSBE)

Tennessee Small Business Enterprise (SBE): \$10,000,000.00 averaged over a three (3) year period or employs no more than ninety-nine (99) employees.

Government Non-Minority/Disadvantaged Other: Corporation

Selection Method & Process Summary (mark the correct response to confirm the associated summary)

Competitive Selection | N/A

Other | Sole Source Contract SCR SEQ# 3627

Budget Officer Confirmation: There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.

Speed Chart (optional)	Account Code (optional)
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**CONTRACT
BETWEEN THE STATE OF TENNESSEE,
DEPARTMENT OF FINANCE AND ADMINISTRATION,
DIVISION OF TENNCARE**

**AND
EQUIFAX WORKFORCE SOLUTIONS LLC, A PROVIDER OF EQUIFAX VERIFICATION SERVICES**

This Contract, by and between the State of Tennessee, TennCare (“State”, “Agency”, or “TennCare”) and Equifax Workforce Solutions LLC (f/k/a TALX Corporation), a provider of Equifax Verification Services (“Contractor” or “EVS”), is for the provision of social service employment and income verification services, as further defined in the "SCOPE." State and Contractor may be referred to individually as a “Party” or collectively as the “Parties” to this Contract.

The Contractor is a For-Profit Corporation.

Contractor Place of Incorporation or Organization: St. Louis, MO

Contractor Edison Registration ID # 71923

A. SCOPE:

- A.1. The Contractor shall provide all services as required, described, and detailed in the attached Schedule A and shall meet all service and delivery timelines as specified by this Contract.
- A.2. Equifax Verification Services (“EVS”) operates The Work Number® (“TWN”) a service used to verify employment and income information about an individual (“Consumers”), and various other services (“EVS Services”) used to verify certain Consumer information (TWN and EVS Services are collectively referred to herein as the “Service” or “service”).
- A.3. Warranty. Contractor warrants that the Service will be performed in all material respects in a reasonable and workmanlike manner and in compliance with all state, federal, and local laws, rules and regulations applicable to Contractor’s performance thereof. The State acknowledges that the ability of Contractor to provide accurate information is dependent upon receipt of accurate information from employers. Contractor does not warrant that the Service will be error free. EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH HEREIN, Contractor MAKES NO OTHER WARRANTIES AS TO THE SERVICE OR THE DATA, EXPRESSED OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF GOOD TITLE, MERCHANTABILITY, AND/OR FITNESS FOR A PARTICULAR PURPOSE EVEN IF CONTRACTOR KNOWS OF SUCH PURPOSE.
- A.4. Inspection and Acceptance. The State shall have the right to inspect all goods or services provided by Contractor under this Contract. If, upon inspection, the State determines that the goods or services are defective, the State shall notify Contractor, and Contractor shall re-deliver the goods or provide the services at no additional cost to the State. If after a period of thirty (30) days following delivery of goods or performance of services the State does not provide a notice of any defects, the goods or services shall be deemed to have been accepted by the State.
- A.5. The State and Contractor may review the terms of the Contract in relation to the product information/Data, Service delivery, and pricing based on the State’s systems requirements and development or program changes due to state or federal regulations, guidance, procedures, policies, and/or reporting requirements. If the volume of Services required by the State is subsequently reduced, the Parties shall mutually agree on an equitable reduction in fees corresponding to such reduction in Services.
- A.6. The State may, at its sole discretion and with written notice to the Contractor, request changes in the Scope that are necessary but were inadvertently unspecified in this Contract.
 - a. Change Order Creation— After receipt of a written request for additional Services from the State, the Contractor shall respond to the State, within a maximum of ten (10) business days, with a written proposal for completing the service. Contractor’s proposal must specify:

- (1) the effect, if any, of implementing the requested change(s) on all other Services required under this Contract;
- (2) the specific effort involved in completing the change(s);
- (3) the expected schedule for completing the change(s);
- (4) the maximum number of person hours required for the change(s); and
- (5) the maximum cost for the change(s)— this maximum cost shall in no instance exceed the product of the person hours required multiplied by the appropriate payment rate proposed for such work.

The Contractor shall not perform any additional Service until the State has approved the proposal. If approved, the State will sign the proposal, and it shall constitute a Change Order between the Contract Parties pertaining to the specified change(s) and shall be incorporated, hereby, as a part of this Contract.

- b. **Change Order Performance**— Subsequent to creation of a Change Order, the Contractor shall complete the required Services. The State will be the sole judge of the acceptable completion of work and, upon such determination, shall provide the Contractor written approval.
- c. **Change Order Remuneration**— The State will remunerate the Contractor only for acceptable work. All acceptable work performed pursuant to an approved Change Order, without a formal amendment of this Contract, shall be remunerated in accordance with and further limited by Contract Section C.3.c., PROVIDED THAT, the State shall be liable to the Contractor only for the cost of the actual goods or Services provided to complete the necessary work, not to exceed the maximum cost for the change detailed in the Change Order. In no instance shall the State be liable to the Contractor for any amount exceeding the maximum cost specified by the Change Order authorizing the goods or Services. Upon State approval of the work, the Contractor shall invoice the State in accordance with the relevant provisions of this Contract.

B. TERM OF CONTRACT:

- B.1. This Contract shall be effective on January 1, 2023 (“Effective Date”) and extend for a period of thirty-six (36) months after the Effective Date (“Term”). The State shall have no obligation for goods or services provided by the Contractor prior to the Effective Date.
- B.2. **Renewal Options.** This Contract may be renewed upon satisfactory completion of the Term. The State reserves the right to execute up to two (2) renewal options under the same terms and conditions for a period not to exceed twelve (12) months per each renewal option by the State, at the State's sole option. In no event, however, shall the maximum Term, including all renewals or extensions, exceed a total of sixty (60) months.

C. PAYMENT TERMS AND CONDITIONS:

- C.1. **Maximum Liability.** In no event shall the maximum liability of the State under this Contract exceed Nine Million Nine Hundred Seventy-One Thousand Three Hundred Thirty-Two dollars (\$9,971,332.00) (“Maximum Liability”). This Contract does not grant the Contractor any exclusive rights. The State does not guarantee that it will buy any minimum quantity of goods or services under this Contract. Subject to the terms and conditions of this Contract, the Contractor will only be paid for goods or services provided under this Contract after a purchase order is issued to Contractor by the State or as otherwise specified by this Contract.
- C.2. **Compensation Firm.** The payment methodology in Section C.3. of this Contract shall constitute the entire compensation due the Contractor for all goods or services provided under this Contract regardless of the difficulty, materials or equipment required. The payment methodology includes

all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Contractor.

C.3. Payment Methodology. The Contractor shall be compensated based on the payment methodology for goods or services authorized by the State in a total amount as set forth in Section C.1.

- a. The Contractor's compensation shall be contingent upon the satisfactory provision of goods or services as set forth in Section A and Schedule A.
- b. The Contractor shall be compensated for changes requested and performed pursuant to Contract Section A.6, without a formal amendment of this Contract pursuant to Section A.6, PROVIDED THAT compensation to the Contractor for such "change order" work shall not exceed seven percent (7%) of the Maximum Liability detailed in Section C.1, above. If, at any point during the Term, the State determines that the cost of necessary "change order" work would exceed the maximum amount, the State may amend this Contract to address the need.

c. The Contractor shall be compensated based upon the following payment methodology:
Initial Term: Years One (1) through Three (3) Pricing

Monthly Fixed Fee (Year 1)	Annual Transactions Included (Year 1)	Minimum Annual Payment (Year 1)	Overage Fee Per Transaction (Year 1)	Account Service Fee (Monthly) (Year 1)
\$254,041.67	455,000	\$3,048,500	\$7.20	\$2,500.00
Monthly Fixed Fee (Year 2)	Annual Transactions Included (Year 2)	Minimum Annual Payment (Year 2)	Overage Fee Per Transaction (Year 2)	Account Service Fee (Monthly) (Year 2)
\$273,094.83	455,000	\$3,277,138.00	\$7.70	\$2,500.00
Monthly Fixed Fee (Year 3)	Annual Transactions Included (Year 3)	Minimum Annual Payment (Year 3)	Overage Fee Per Transaction (Year 3)	Account Service Fee (Monthly) (Year 3)
\$296,307.83	455,000	\$3,555,694.00	\$8.31	\$2,500.00

Optional Years Four (4) and Five (5) Pricing

Monthly Fixed Fee (Optional Year 4)	Annual Transactions Included (Optional Year 4)	Minimum Annual Payment (Optional Year 4)	Overage Fee Per Transaction (Optional Year 4)	Account Service Fee (Monthly) (Optional Year 4)
\$322,975.58	455,000	\$3,875,707.00	\$9.02	\$2,500.00
Monthly Fixed Fee (Optional Year 5)	Annual Transactions Included (Optional Year 5)	Minimum Annual Payment (Optional Year 5)	Overage Fee Per Transaction (Optional Year 5)	Account Service Fee (Monthly) (Optional Year 5)
\$352,043.33	455,000	\$4,224,520.00	\$9.78	\$2,500.00

C.4. Travel Compensation. The Contractor shall not be compensated or reimbursed for travel time, travel expenses, meals, or lodging.

C.5. Invoice Requirements. The Contractor shall invoice the State only for goods delivered and accepted by the State or services satisfactorily provided at the amounts stipulated in Section C.3, above. Contractor shall submit invoices and necessary supporting documentation, no more frequently than once a month, and no later than thirty (30) days after goods or services have been provided to the following address:

310 Great Circle Road

- a. Each invoice, on Contractor's letterhead, shall clearly and accurately detail all of the following information (calculations must be extended and totaled correctly):
 - (1) Invoice number (assigned by the Contractor);
 - (2) Invoice date;
 - (3) Contract number (assigned by the State);
 - (4) Customer account name: Department of Finance and Administration, Division of TennCare;
 - (5) Customer account number (assigned by the Contractor to the above-referenced Customer);
 - (6) Contractor name;
 - (7) Contractor Tennessee Edison registration ID number;
 - (8) Contractor contact for invoice questions (name, phone, or email);
 - (9) Contractor remittance address;
 - (10) Description of delivered goods or services provided and invoiced, including identifying information as applicable;
 - (11) Number of delivered or completed units, increments, hours, or days as applicable, of each good or service invoiced;
 - (12) Applicable payment methodology (as stipulated in Section C.3.) of each good or service invoiced;
 - (13) Amount due for each compensable unit of good or service; and
 - (14) Total amount due for the invoice period.
- b. Contractor's invoices shall:
 - (1) Only include charges for goods delivered or services provided as described in Section A and in accordance with payment terms and conditions set forth in Section C;
 - (2) Only be submitted for goods delivered or services completed and shall not include any charge for future goods to be delivered or services to be performed;
 - (3) Not include Contractor's taxes, which includes without limitation Contractor's sales and use tax, excise taxes, franchise taxes, real or personal property taxes, or income taxes; and
 - (4) Include shipping or delivery charges only as authorized in this Contract.
- c. The timeframe for payment (or any discounts) begins only when the State is in receipt of an invoice that meets the minimum requirements of this Section C.5.

C.6. Payment of Invoice. A payment by the State shall not prejudice the State's right to object to or question any payment, invoice, or other matter. A payment by the State shall not be construed as acceptance of goods delivered, any part of the services provided, or as approval of any amount invoiced.

C.7. Invoice Reductions. The Contractor's invoice shall be subject to reduction for amounts included in any invoice or payment that is determined by the State, on the basis of audits conducted in accordance with the terms of this Contract, to not constitute proper compensation for goods delivered or services provided.

C.8. Deductions. The State reserves the right to deduct from amounts, which are or shall become due and payable to the Contractor under this or any contract between the Contractor and the State of Tennessee, any amounts that are or shall become due and payable to the State of Tennessee by the Contractor.

C.9. Prerequisite Documentation. The Contractor shall not invoice the State under this Contract until the State has received the following, properly completed documentation.

- a. The Contractor shall complete, sign, and present to the State the "Authorization Agreement for Automatic Deposit Form" provided by the State. By doing so, the

Contractor acknowledges and agrees that, once this form is received by the State, payments to the Contractor, under this or any other contract the Contractor has with the State of Tennessee, may be made by ACH; and

- b. The Contractor shall complete, sign, and return to the State the State-provided W-9 form. The taxpayer identification number on the W-9 form must be the same as the Contractor's Federal Employer Identification Number or Social Security Number referenced in the Contractor's Edison registration information.

D. MANDATORY TERMS AND CONDITIONS:

- D.1. Required Approvals. The State is not bound by this Contract until it is duly approved by the Parties and all appropriate State officials in accordance with applicable Tennessee laws and regulations. Depending upon the specifics of this Contract, this may include approvals by the Commissioner of Finance and Administration, the Commissioner of Human Resources, the Comptroller of the Treasury, and the Chief Procurement Officer. Approvals shall be evidenced by a signature or electronic approval.
- D.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by email or facsimile transmission with recipient confirmation. All communications, regardless of method of transmission, shall be addressed to the respective Party at the appropriate mailing address, facsimile number, or email address as stated below or any other address provided in writing by a Party.

The State:

Roger Zorn
Assistant Quality Control Director
Department of Finance and Administration
Division of TennCare
310 Great Circle Road
Nashville TN 37243
Roger.G.Zorn@tn.gov
Telephone # (615) 687-4992

The Contractor:

Robert Purser, Account Executive
Equifax Government Services
Email: Robert.Purser@equifax.com
Telephone: (404) 937-8557

with a copy to:

Equifax Workforce Solutions LLC
11432 Lackland Road
St. Louis, MO 63146
Attention: President
Telephone: 314-214-7000
Email: evscontracts@equifax.com

All instructions, notices, consents, demands, or other communications shall be considered effective upon receipt or recipient confirmation as may be required.

- D.3. Modification and Amendment. This Contract may be modified only by a written amendment signed by all Parties and approved by all applicable State officials.
- D.4. Subject to Funds Availability. The Contract is subject to the appropriation and availability of State or federal funds. In the event that the funds are not appropriated or are otherwise unavailable,

the State reserves the right to terminate this Contract upon written notice to the Contractor. The State's exercise of its right to terminate this Contract shall not constitute a breach of Contract by the State. Upon receipt of the written notice, the Contractor shall cease all work associated with the Contract. If the State terminates this Contract due to lack of funds availability, the Contractor shall be entitled to compensation for all conforming goods requested and accepted by the State and for all satisfactory and authorized services completed as of the termination date. Should the State exercise its right to terminate this Contract due to unavailability of funds, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages of any description or amount.

- D.5. Termination for Convenience. Either Party may terminate this Contract without cause for any reason. A party's exercise of its right to terminate this Contract for convenience shall not be deemed a breach of contract by either Party. The terminating Party shall give the other Party at least thirty (30) days written notice before the termination date. The Contractor shall be entitled to compensation for all conforming goods delivered and accepted by the State or for satisfactory, authorized services completed as of the termination date, but in no event shall the State be liable to the Contractor for compensation for any good or service that has not been provided, nor shall the Contractor be relieved of any liability to the State for any damages or claims arising under this Contract.
- D.6. Termination for Cause. If the Contractor fails to properly perform its obligations under this Contract in a timely or proper manner, or if the Contractor materially violates any terms of this Contract ("Breach Condition"), the State shall have the right to immediately terminate the Contract and withhold payments in excess of compensation for completed services or provided goods. Notwithstanding the above, the Contractor shall not be relieved of liability to the State for damages sustained by virtue of any Breach Condition and the State may seek other remedies allowed at law or in equity for breach of this Contract.

If Contractor reasonably believes that Agency has breached an obligation under this Contract,, Contractor may, at its option and reserving all other rights and remedies, upon twenty-four (24) hours prior notice, suspend and/or terminate this Contract and/or any Schedules. Notwithstanding the foregoing, if Contractor reasonably believes that Agency has breached its obligations under the FCRA, specifically an obligation under section 604 of the FCRA, Contractor may immediately suspend Services under the Contract.

- D.7. Assignment and Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any core essential or material portion of the goods or services provided under this Contract without the prior written approval of the State. Notwithstanding any use of the approved subcontractors, the Contractor shall be the prime contractor and responsible for compliance with all terms and conditions of this Contract. The State reserves the right to request additional information or impose additional terms and conditions before approving an assignment of this Contract in whole or in part or the use of subcontractors in fulfilling the Contractor's obligations under this Contract.
- D.8. Conflicts of Interest. The Contractor warrants that no part of the Contractor's compensation shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Contractor in connection with any work contemplated or performed under this Contract.

The Contractor acknowledges, understands, and agrees that this Contract shall be null and void if the Contractor is, or within the past six (6) months has been, an employee of the State of Tennessee or if the Contractor is an entity in which a controlling interest is held by an individual who is, or within the past six (6) months has been, an employee of the State of Tennessee.

- D.9. Nondiscrimination. The Contractor hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Contractor on the grounds of handicap or disability, age, race, creed, color, religion, sex, national origin, or any other classification protected by federal or state law. The Contractor shall, upon request, show

proof of nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination. In addition, the Contractor shall comply with the provisions of Contract Section E.9. (Nondiscrimination Compliance Requirements) and this Section D.9 shall not be deemed to limit or abridge any requirement set forth in Section E.9. of this Contract.

- D.10. Prohibition of Illegal Immigrants. The requirements of Tenn. Code Ann. § 12-3-309 addressing the use of illegal immigrants in the performance of any contract to supply goods or services to the state of Tennessee, shall be a material provision of this Contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this Contract.
- a. The Contractor agrees that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract. The Contractor shall reaffirm this attestation, in writing, by submitting to the State a completed and signed copy of the document at Attachment A, semi-annually during the Term. If the Contractor is a party to more than one contract with the State, the Contractor may submit one attestation that applies to all contracts with the State. All Contractor attestations shall be maintained by the Contractor and made available to State officials upon request.
 - b. Prior to the use of any subcontractor in the performance of any core essential or material portion of this Contract, and semi-annually thereafter, during the Term, the Contractor shall obtain and retain a current, written attestation that the subcontractor shall not knowingly utilize the services of an illegal immigrant to perform work under this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant to perform work under this Contract. Attestations obtained from subcontractors shall be maintained by the Contractor and made available to State officials upon request.
 - c. The Contractor shall maintain records for all personnel used in the performance of this Contract. Contractor's records shall be subject to review and random inspection at any reasonable time upon reasonable notice by the State. Contractor may provide a screen share or attestation; however, will not provide access to any personnel records without redaction.
 - d. The Contractor understands and agrees that failure to comply with this section will be subject to the sanctions of Tenn. Code Ann. § 12-3-309 for acts or omissions occurring after its effective date.
 - e. For purposes of this Contract, "illegal immigrant" shall be defined as any person who is not: (i) a United States citizen; (ii) a Lawful Permanent Resident; (iii) a person whose physical presence in the United States is authorized; (iv) allowed by the federal Department of Homeland Security and who, under federal immigration laws or regulations, is authorized to be employed in the U.S.; or (v) is otherwise authorized to provide services under the Contract.
- D.11. Records. The Contractor shall maintain documentation for all charges under this Contract. The books, records, and documents of the Contractor, for work performed or money received under this Contract, shall be maintained for a period of five (5) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the State, the Comptroller of the Treasury, or their duly appointed representatives, subject to Contractor' on-site security policies over its facilities and systems, to the extent that said policies do not prevent the State's ability to conduct the audit. The financial statements shall be prepared in accordance with generally accepted accounting principles.
- D.12. Monitoring. The Contractor's activities conducted and records maintained pursuant to this Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.

- D.13. Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.
- D.14. Strict Performance. Failure by any Party to this Contract to require, in any one or more cases, the strict performance of any of the terms, covenants, conditions, or provisions of this Contract shall not be construed as a waiver or relinquishment of any term, covenant, condition, or provision. No term or condition of this Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the Parties.
- D.15. Independent Contractor. The Parties shall not act as employees, partners, joint venturers, or associates of one another. The Parties are independent contracting entities. Nothing in this Contract shall be construed to create an employer/employee relationship or to allow either Party to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one Party are not employees or agents of the other Party.
- D.16. Patient Protection and Affordable Care Act. The Contractor agrees that it will be responsible for compliance with the Patient Protection and Affordable Care Act ("PPACA") with respect to itself and its employees, including any obligation to report health insurance coverage, provide health insurance coverage, or pay any financial assessment, tax, or penalty for not providing health insurance. The Contractor shall indemnify the State and hold it harmless from any costs to the State arising from Contractor's failure to fulfill its PPACA responsibilities for itself or its employees.
- D.17. Limitation of State's Liability. The State's liability under this contract shall be in accordance with Tenn. Code Ann §9-8-307. In no event will the State be liable to the Contractor or any other party for any lost revenues, lost profits, loss of business, decrease in the value of any securities or cash position, time, goodwill, or any indirect, special, incidental, punitive, exemplary or consequential damages of any nature, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Contract or otherwise. The State's total liability under this Contract (including any exhibits, schedules, amendments or other attachments to the Contract) or otherwise shall under no circumstances exceed the Maximum Liability. This limitation of liability is cumulative and not per incident.
- D.18. Limitation of Contractor's Liability. In accordance with Tenn. Code Ann. § 12-3-701, the Contractor's liability for all claims arising under this Contract shall be limited to an amount equal to two (2) times the Maximum Liability amount detailed in Section C.1. and as may be amended, PROVIDED THAT in no event shall this Section limit the liability of the Contractor for: (i) intellectual property or any Contractor indemnity obligations for infringement for third-party intellectual property rights; (ii) any claims covered by any specific provision in the Contract providing for liquidated damages; or (iii) any claims for intentional torts, criminal acts, fraudulent conduct, or acts or omissions that result in personal injuries or death. For clarity, except as otherwise expressly set forth in this Section, Contractor's indemnification obligations and other remedies available under this Contract are subject to the limitations on liability set forth in this Section. In no event shall Contractor be liable to the State or any other party for any lost revenues or indirect, special, incidental, consequential, exemplary, or punitive damages, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Contract or otherwise..
- D.19. Hold Harmless. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all third party claims, liabilities, expenses and costs, including reasonable attorney's fees and expenses, losses, and causes of action to the extent the same arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of acts, omissions, or negligence on the part of the Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract.

In the event of any suit or claim, the Parties shall give each other prompt notice and provide all necessary and reasonable assistance to respond. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor, through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.

- D.20. HIPAA Compliance. To the extent applicable, the State and Contractor shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), Health Information Technology for Economic and Clinical Health ("HITECH") Act and any other relevant laws and regulations regarding privacy (collectively the "Privacy Rules"). The obligations set forth in this Section shall survive the termination of this Contract.
- a. Contractor warrants to the State that it is familiar with the requirements of the Privacy Rules, and will comply with all applicable requirements in the course of this Contract.
 - b. Contractor warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by the Privacy Rules, in the course of performance of the Contract so that both parties will be in compliance with the Privacy Rules.
 - c. The State and the Contractor will sign documents, including but not limited to business associate agreements, as required by the Privacy Rules and that are reasonably necessary to keep the State and Contractor in compliance with the Privacy Rules. This provision shall not apply if information received or delivered by the parties under this Contract is NOT "protected health information" as defined by the Privacy Rules, or if the Privacy Rules permit the parties to receive or deliver the information without entering into a business associate agreement or signing another document.
 - d. Contractor will indemnify the State and hold it harmless for any violation by the Contractor or its subcontractors of the Privacy Rules. Contractor shall be responsible for the reasonable costs of responding to a breach of protected health information, the reasonable costs of responding to a government enforcement action related to the breach, and any reasonable fines, penalties, or damages assessed to the State which are solely attributable to Contractor's violation of the applicable Privacy Rules.
- D.21. Tennessee Consolidated Retirement System. Subject to statutory exceptions contained in Tenn. Code Ann. §§ 8-36-801, *et seq.*, the law governing the Tennessee Consolidated Retirement System ("TCRS"), provides that if a retired member of TCRS, or of any superseded system administered by TCRS, or of any local retirement fund established under Tenn. Code Ann. §§ 8-35-101, *et seq.*, accepts State employment, the member's retirement allowance is suspended during the period of the employment. Accordingly and notwithstanding any provision of this Contract to the contrary, the Contractor agrees that if it is later determined that the true nature of the working relationship between the Contractor and the State under this Contract is that of "employee/employer" and not that of an independent contractor, the Contractor, if a retired member of TCRS, may be required to repay to TCRS the amount of retirement benefits the Contractor received from TCRS during the Term.
- D.22. Tennessee Department of Revenue Registration. The Contractor shall comply with all applicable registration requirements contained in Tenn. Code Ann. §§ 67-6-601 – 608. Compliance with applicable registration requirements is a material requirement of this Contract.
- D.23. Debarment and Suspension. The Contractor certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:
- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;

- b. have not within a three (3) year period preceding this Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
- c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
- d. have not within a three (3) year period preceding this Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Contractor shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded, disqualified, or presently fall under any of the prohibitions of sections a-d.

- D.24. Force Majeure. "Force Majeure Event" means fire, flood, earthquake, elements of nature or acts of God, wars, riots, civil disorders, rebellions or revolutions, acts of terrorism or any other similar cause beyond the reasonable control of the Party except to the extent that the non-performing Party is at fault in failing to prevent or causing the default or delay, and provided that the default or delay cannot reasonably be circumvented by the non-performing Party through the use of alternate sources, workaround plans or other means. A strike, lockout or labor dispute shall not excuse either Party from its obligations under this Contract. Except as set forth in this Section, any failure or delay by a Party in the performance of its obligations under this Contract arising from a Force Majeure Event is not a default under this Contract or grounds for termination. The non-performing Party will be excused from performing those obligations directly affected by the Force Majeure Event, and only for as long as the Force Majeure Event continues, provided that the Party continues to use diligent, good faith efforts to resume performance without delay. The occurrence of a Force Majeure Event affecting Contractor's representatives, suppliers, subcontractors, customers or business apart from this Contract is not a Force Majeure Event under this Contract. Contractor will promptly notify the State of any delay caused by a Force Majeure Event (to be confirmed in a written notice to the State within one (1) day of the inception of the delay) that a Force Majeure Event has occurred, and will describe in reasonable detail the nature of the Force Majeure Event. If any Force Majeure Event results in a delay in Contractor's performance longer than forty-eight (48) hours, the State may, upon notice to Contractor: (a) cease payment of the fees for the affected obligations until Contractor resumes performance of the affected obligations; or (b) immediately terminate this Contract or any purchase order, in whole or in part, without further payment except for fees then due and payable. Contractor will not increase its charges under this Contract or charge the State any fees other than those provided for in this Contract as the result of a Force Majeure Event.
- D.25. State and Federal Compliance. The Contractor shall comply with all applicable state and federal laws and regulations in the Contractor's performance of this Contract.
- D.26. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee, without regard to its conflict or choice of law rules. The Tennessee Claims Commission or the state or federal courts in Tennessee shall be the venue for all claims, disputes, or disagreements arising under this Contract. The Contractor acknowledges and agrees that any rights, claims, or remedies against the State of Tennessee or its employees arising under this Contract shall be subject to and limited to those rights and remedies available under Tenn. Code Ann. §§ 9-8-101 - 408.
- D.27. Entire Agreement. This Contract is complete and contains the entire understanding between the Parties relating to its subject matter, including all the terms and conditions of the Parties' agreement. This Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the Parties, whether written or oral.

- D.28. Severability. If any terms and conditions of this Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions of this Contract shall not be affected and shall remain in full force and effect. The terms and conditions of this Contract are severable.
- D.29. Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.
- D.30. Incorporation of Additional Documents. Each of the following documents is included as a part of this Contract by reference. In the event of a discrepancy or ambiguity regarding the Parties' duties, responsibilities, and performance under this Contract, these items shall govern in order of precedence below:
- a. any amendment to this Contract, with the latter in time controlling over any earlier amendments;
 - b. this Contract with any attachments or exhibits (excluding the items listed at subsections c. through f., below), which includes Attachment A, the Attestation Regarding Personnel Used in Contract Performance and Attachment B, the Universal Membership Agreement, and Exhibits 1 and 2 and Schedule A to the Universal Membership Agreement
 - c. any clarifications of or addenda to the Contractor's proposal seeking this Contract;
 - d. the State solicitation, as may be amended, requesting responses in competition for this Contract;
 - e. any technical specifications provided to proposers during the procurement process to award this Contract;
 - f. and the Contractor's response seeking this Contract.
- D.31. Iran Divestment Act. The requirements of Tenn. Code Ann. § 12-12-101, *et seq.*, addressing contracting with persons as defined at Tenn. Code Ann. §12-12-103(5) that engage in investment activities in Iran, shall be a material provision of this Contract. The Contractor certifies, under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to Tenn. Code Ann. § 12-12-106.
- D.32. Insurance. Contractor shall maintain insurance coverage as specified in this Section. The State reserves the right to amend or require in accordance with industry standards, additional insurance limits required under this Contract with at least 60 days' notice to Contractor. Contractor's failure to maintain insurance coverage by this Contract, as required, is a material breach of this Contract. If Contractor loses insurance coverage, fails to renew coverage, or for any reason becomes uninsured during the Term, Contractor shall promptly notify the State. Insurance certificates for the policies shall include a statement confirming that should any of the required policies be cancelled prior to the expiration date thereof, notice shall be provided in accordance with the policy provisions. All insurance companies providing coverage must be: (a) acceptable to the State as required by this Contract; (b) authorized by the Tennessee Department of Commerce and Insurance ("TDCI"); and (c) rated A- / VII or better by A.M. Best. The workers' compensation, general liability, auto liability, and umbrella liability coverages must be on a primary basis and noncontributory with any other insurance or self-insurance carried by the State. Contractor agrees to include the State as an additional insured on any insurance policy with the exception of workers' compensation (employer liability) and professional liability (errors and omissions) insurance. The workers' compensation, general liability, auto liability, and umbrella liability policies must contain an endorsement for a waiver of subrogation in favor of the State. This coverage may be provided via blanket endorsement. The deductible or SIR and any premiums are the Contractor's sole responsibility. The Contractor agrees that the insurance requirements specified in this Section do not reduce any liability the Contractor has assumed under this Contract including any indemnification or hold harmless requirements.

To achieve the required coverage amounts, a combination of an otherwise deficient specific policy and an umbrella policy with an aggregate meeting or exceeding the required coverage amounts is acceptable. For example: If the required policy limit under this Contract is for two million dollars (\$2,000,000) in coverage, acceptable coverage would include a specific policy covering one million dollars (\$1,000,000) combined with an umbrella policy for an additional one million dollars (\$1,000,000). If the deficient underlying policy is for a coverage area without aggregate limits (generally Automobile Liability and Employers' Liability Accident),). In the event

that an umbrella policy is being provided to achieve any required coverage amounts, the umbrella policy shall be accompanied by an endorsement at least as broad as the Insurance Services Office, Inc. (also known as "ISO") "Noncontributory—Other Insurance Condition" endorsement or shall be written on a policy form that addresses both the primary and noncontributory basis of the umbrella policy if the State is otherwise named as an additional insured.

Contractor shall provide the State a certificate of insurance ("COI") evidencing the coverages and amounts specified in this Section. The COI must be on a form approved by the TDCI (standard ACORD form preferred) as of the date of Contract execution. The COI must list each insurer's National Association of Insurance Commissioners (NAIC) number and be signed by an authorized representative of the insurer. The COI must list the State of Tennessee – CPO Risk Manager, 312 Rosa L. Parks Ave., 3rd floor Central Procurement Office, Nashville, TN 37243 as the certificate holder. Contractor shall provide the COI ten (10) business days prior to the Effective Date and again within thirty (30) calendar days following renewal or replacement of coverage. At any time, the State may require Contractor to provide a valid COI. The Parties agree that failure to provide evidence of insurance coverage as required following thirty (30) business days written notice of non-compliance is a material breach of this Contract. If Contractor self-insures, then a COI will not be required to prove coverage. Instead Contractor shall provide a certificate of self-insurance or a letter, on Contractor's letterhead, detailing its coverage, policy amounts, and proof of funds to reasonably cover such expenses. Upon notification of a claim or litigation the State reserves the right to request complete, certified copies of all insurance policies where the State is listed as an additional insured and where coverage could apply.

The State agrees that it shall give written notice to the Contractor as soon as practicable after the State becomes aware of any claim asserted or made against the State, but in no event later than thirty (30) calendar days after the State becomes aware of such claim. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor or its insurer, through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.

The insurance obligations under this Contract shall be: the minimum insurance coverage requirements and policy limits shown in this Contract. No representation is made that the minimum insurance requirements of the Contract are sufficient to cover the obligations of the Contractor arising under this Contract. The Contractor shall obtain and maintain, at a minimum, the following insurance coverages and policy limits.

a. Commercial General Liability ("CGL") Insurance

- 1) The Contractor shall maintain CGL, which shall be written on an ISO Form CG 00 01 occurrence form (or a substitute form providing equivalent coverage) and shall cover liability arising from property damage, premises and operations products and completed operations, bodily injury, personal and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract).

The Contractor shall maintain single limits not less than one million dollars (\$1,000,000) per occurrence and \$2,000,000 annual aggregate.

b. Workers' Compensation and Employer Liability Insurance

- 1) For Contractors statutorily required to carry workers' compensation and employer liability insurance, the Contractor shall maintain:
 - i. Workers' compensation and employer liability insurance in the amounts required by appropriate state statutes.

ii. Reserved.

c. Automobile Liability Insurance

- 1) The Contractor shall maintain automobile liability insurance which shall cover liability arising out of any automobile (including owned, leased, hired, and non-owned automobiles).
- 2) The Contractor shall maintain bodily injury/property damage with a limit not less than one million dollars (\$1,000,000) per occurrence or combined single limit.

d. Technology Professional Liability (Errors & Omissions)/Cyber Liability Insurance

- 1) The Contractor shall maintain technology professional liability (errors & omissions)/cyber liability insurance appropriate to the Contractor's profession in an amount not less than ten million dollars (\$10,000,000) per occurrence or claim and ten million dollars (\$10,000,000) annual aggregate, covering acts, claims, errors, omissions, negligence, infringement of intellectual property (including copyright and trade secret); network security and privacy risks, including but not limited to unauthorized access, failure of security, information theft, damage, destruction, or alteration of electronic information, breach of privacy perils, wrongful disclosure and release of private information, collection, or other negligence in the handling of confidential information, and including coverage for related regulatory fines, defenses, and penalties where such regulatory fines, defenses, and penalties are legally insurable.
- 2) Such coverage shall include data breach response expenses, in an amount not less than ten (10) million dollars (\$10,000,000) annual aggregate, including but not limited to consumer notification, whether or not required by law, computer forensic investigations, public relations and crisis management firm fees, credit file or identity monitoring or remediation services.

e. Crime Insurance

- 1) The Contractor shall maintain crime insurance, which shall be written on a "loss sustained form" or "loss discovered form" providing coverage for third party fidelity. The policy must allow for reporting of circumstances or incidents that may give rise to future claims and not contain a condition requiring an arrest or conviction.
- 2) Any crime insurance policy shall have a limit not less than one million dollars (\$1,000,000) per claim and one million dollars (\$1,000,000) in the aggregate.
- 3) Any crime insurance policy shall contain a Social Engineering Fraud Endorsement with a limit of not less than two hundred and fifty thousand dollars (\$250,000) annual aggregate.
- 4) This insurance may be written on a claims-made basis, but in the event that coverage is cancelled or non-renewed, the Contractor shall purchase an extended reporting or "tail coverage" of at least one (1) year after the Term, provided such coverage is readily available in the commercial marketplace

D.33. Major Procurement Contract Sales and Use Tax. Pursuant to Tenn. Code Ann. § 4-39-102 and to the extent applicable, the Contractor and the Contractor's subcontractors shall remit sales and use taxes on the sales of goods or services that are made by the Contractor or the Contractor's subcontractors and that are subject to tax.

D.34. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information,

regardless of form, medium or method of communication, provided to the Contractor by the State or to the State by the Contractor or acquired by the Contractor on behalf of the State that is regarded as confidential under state or federal law shall be regarded as "Confidential Information." Nothing in this Section shall permit either party to disclose any Confidential Information, regardless of whether it has been disclosed or made available to the other party due to intentional or negligent actions or inactions of agents of a party or third parties. Confidential Information shall not be disclosed except as required or permitted under state or federal law. Each party shall only use Confidential information for activities pursuant to and related to the performance of the Contract. Each party shall take all necessary steps to safeguard the confidentiality of such material or information in conformance with applicable state and federal law. The State further agrees that all Data provided from The Work Number® under this Contract is Confidential Information and that such Data will be held in strict confidence and will only be used for the purpose(s) set forth in this Contract.

The obligations set forth in this Section shall survive the termination of this Contract.

D.35. Boycott of Israel. The Contractor certifies that it is not currently engaged in, and covenants that it will not, for the duration of the Contract, engage in a Boycott of Israel, as that term is defined in Public Chapter No. 775.

D.36. Equal Opportunity. The Contractor agrees as follows:

a. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:

- (1) Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising;
- (2) Layoff or termination;
- (3) Rates of pay or other forms of compensation; and
- (4) Selection for training, including apprenticeship.

The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

b. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

c. Contractor will provide in its agreements with subcontractors such written provisions as are sufficient to enable Contractor to comply with the provisions of paragraphs (a) and (b) above

d. In addition, to the extent applicable the Contractor agrees to comply with 41 C.F. R. § 60-1.4, as that section is amended from time to time during the term.

E. SPECIAL TERMS AND CONDITIONS:

E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Contract, the special terms and conditions shall be subordinate to the Contract's other terms and conditions.

E.2. Prohibited Advertising or Marketing. The Contractor shall not suggest or imply in advertising or marketing materials that Contractor's goods or services are endorsed by the State. The restrictions on Contractor advertising or marketing materials under this Section shall survive the termination of this Contract.

E.3. Lobbying. The Contractor certifies, to the best of its knowledge and belief, that:

- a. No federally appropriated funds have been paid or will be paid, by or on behalf of the Contractor, to any person for influencing or attempting to influence an officer or employee of an agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- b. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with any contract, grant, loan, or cooperative agreement, the Contractor shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- c. The Contractor shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into and is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352.

E.4. Personally Identifiable Information. While performing its obligations under this Contract, Contractor may have access to Personally Identifiable Information held by the State ("PII"). For the purposes of this Contract, "PII" includes "Nonpublic Personal Information" as that term is defined in Title V of the Gramm-Leach-Bliley Act of 1999 or any successor federal statute, and the rules and regulations thereunder, all as may be amended or supplemented from time to time ("GLBA") and personally identifiable information and other data protected under any other applicable laws, rule or regulation of any jurisdiction relating to disclosure or use of personal information ("Privacy Laws"). Contractor agrees it shall not do or omit to do anything regarding the State's PII in the Contractor's possession which would directly cause the State to be in breach of any Privacy Laws.

Contractor shall, and shall cause its employees, agents and representatives to: (i) keep PII confidential and may use and disclose PII only as necessary to carry out those specific aspects of the purpose for which the PII was disclosed to Contractor and in accordance with this Contract, GLBA and Privacy Laws; and (ii) implement and maintain appropriate technical and organizational measures regarding information security to: (A) ensure the security and confidentiality of PII; (B) protect against any threats or hazards to the security or integrity of PII; and (C) prevent unauthorized access to or use of PII. The State may conduct an onsite security assessment ("Assessment") in order to examine Contractor's performance of this Contract. An Assessment shall be defined as the State having the right to, a) review policies and procedures; b) review high level network and infrastructure diagrams; c) review the executive summary of third party audit reports; d) participate in a "Question and Answer" session with subject matter experts; e) conduct site tour (site tour will not include access to the raised floor area of the datacenter); f) other items as may be approved by Equifax Security. An Assessment will be conducted (i) during regular business hours, (ii) at State's sole expense, (iii) no more frequently than once per calendar year, (iv) on a mutually agreed upon date but no less than thirty (30) days advance notice, and (v) subject to Contractor's security policies over its facilities and systems. State and its auditors shall not be given access to any of Contractor's systems for auditing purposes. The right to conduct an Assessment does not allow State to perform security testing, vulnerability assessment, or penetration testing against Contractor. As an alternative to allowing State, their clients, or their auditors to perform their own scans, Contractor shall either hire an independent nationally recognized third party to perform an ethical hack/penetration test annually, or where a third party is not feasible, will conduct an internal ethical hack/penetration test annually. State may review the executive summary results of either the third party test or the

internal test either onsite at Contractor's company headquarters or via web conference. Contractor will not be required to provide access to the proprietary data of Contractor or of its other clients. All information learned or exchanged in connection with an Assessment shall be kept confidential. Upon State's written request at any time during the Term of this Contract (including termination or completion of the Services hereunder), Contractor will purge, destroy, or otherwise render inaccessible, Data housed in the Contractor production database(s), provided that Contractor may retain archival copies of Data for audit and dispute resolution purposes and Contractor may retain copies of Data on encrypted back-up media in which such Data is co-resident with other employment and income data. Contractor shall remain under its contractual obligation of confidentiality and security to State during such retention and such obligations shall survive termination of the Contract.

Upon State's written request at any time during the Term of this Contract (including termination or completion of the Services hereunder), Contractor will purge, destroy, or otherwise render inaccessible, State PII housed in the Contractor production database(s), provided that Contractor may retain archival copies of PII for audit and dispute resolution purposes and Contractor may retain copies of PII on encrypted back-up media in which such PII is co-resident with other employment and income data. Contractor shall remain under its contractual obligation of confidentiality and security to State during such retention and such obligations shall survive termination of the Contract.

The Contractor shall report to the State any instances of actual or constructive knowledge of unauthorized access to or disclosure of PII in the custody or control of Contractor, any of its employees, agents or representatives in breach of this Contract ("Unauthorized Disclosure") that come to the Contractor's attention. Any such report shall be made by the Contractor within forty-eight (48) hours after the Unauthorized Disclosure has come to the attention of the Contractor. Notification may be delayed as required by law enforcement to prevent any impediment(s) to its investigation of the Incident. Contractor has actual or constructive knowledge of an Unauthorized Disclosure when Contractor actually knows there has been an Unauthorized Disclosure or Contractor has reasonable basis in facts or circumstances, whether acts or omissions, for its belief that an Unauthorized Disclosure has occurred. Contractor shall promptly take appropriate action, at Contractor's expense to halt any further Unauthorized Disclosures. The Contractor, at the sole discretion of the State, shall provide the provision of one (1) year of no cost credit monitoring services from Equifax Inc., (or a similar credit monitoring company) for individuals whose PII was affected by the Unauthorized Disclosure. The Contractor shall reimburse the State for the reasonable cost of notification to all individuals affected by the Unauthorized Disclosure, including individual letters and public notice. The remedies set forth in this Section are not exclusive and are in addition to any claims or remedies available to this State under this Contract or otherwise available at law. The obligations set forth in this Section shall survive the termination of this Contract.

- E.5. Federal Funding Accountability and Transparency Act (FFATA). This Contract requires the Contractor to provide supplies or services that are funded in whole or in part by federal funds that are subject to FFATA. The Contractor is responsible for ensuring that all applicable requirements, including but not limited to those set forth herein, of FFATA are met and that the Contractor provides information to the State as required upon request.

The Contractor shall comply with the following:

- a. Reporting of Total Compensation of the Contractor's Executives.
 - (1) The Contractor shall report the names and total compensation of each of its five most highly compensated executives for the Contractor's preceding completed fiscal year, if in the Contractor's preceding fiscal year it received:
 - i. 80 percent or more of the Contractor's annual gross revenues from federal procurement contracts and federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and sub-awards); and

- ii. \$25,000,000 or more in annual gross revenues from federal procurement contracts (and subcontracts), and federal financial assistance subject to the Transparency Act (and sub-awards); and
- iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Securities and Exchange Commission total compensation filings at <http://www.sec.gov/answers/excomp.htm>.)

As defined in 2 C.F.R. § 170.315, "Executive" means officers, managing partners, or any other employees in management positions.

(2) Total compensation means the cash and noncash dollar value earned by the executive during the Contractor's preceding fiscal year and includes the following (for more information see 17 C.F.R. § 229.402(c)(2)):

- i. Salary and bonus.
- ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
- iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
- iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
- v. Above-market earnings on deferred compensation which is not tax qualified.
- vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

- b. The Contractor must report executive total compensation described above to the State by the end of the month during which this Contract is awarded.
- c. If this Contract is amended to extend the Term, the Contractor must submit an executive total compensation report to the State by the end of the month in which the term extension becomes effective.
- d. The Contractor will obtain a Data Universal Numbering System (DUNS) number and maintain its DUNS number for the term of this Contract. More information about obtaining a DUNS Number can be found at: <http://fedgov.dnb.com/webform/>

The Contractor's failure to comply with the above requirements is a material breach of this Contract for which the State may terminate this Contract for cause. The State will not be obligated to pay any outstanding invoice received from the Contractor unless and until the Contractor is in full compliance with the above requirements.

E.6. Applicable Legal Authority. The Parties agree to comply with all applicable legal authority, including federal and State laws, rules, regulations, policies, sub-regulatory guidance, executive orders, TennCare waivers, the State Medicaid Manual, and all current, modified or future Court decrees, orders or judgments applicable to the State's TennCare Program. Such compliance shall be performed at no additional cost to the State.

- E.7. Employees Excluded from Medicare, Medicaid or CHIP. The Contractor does hereby attest, certify, warrant, and assure that the Contractor shall not knowingly employ, in the performance of this Contract, employees who have been excluded from participation in the Medicare, Medicaid, and/or CHIP programs pursuant to the Social Security Act, Section 1128 (Exclusion of Certain Individuals and Entities from Participation in Medicare and State Health Care Programs).
- E.8. Offer of Gratuities. By signing this contract, the Contractor signifies that no member of or a delegate of Congress, nor any elected or appointed official or employee of the State of Tennessee, the federal General Accounting Office, federal Department of Health and Human Services, the Center for Medicare and Medicaid Services, or any other state or federal agency has or will benefit financially or materially from this Contract. This Contract may be terminated by TennCare as provided in Section D.6, if it is determined that gratuities of any kind were offered to or received by any of the aforementioned officials or employees from the Contractor, its agent, or employees.
- E.9. Nondiscrimination Compliance Requirements.
- a. General Requirements. The Contractor shall comply with all applicable federal and state civil rights laws, regulations, rules, and policies, which may include, but are not limited to, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, and 42 U.S.C. § 18116 (codified at 45 C.F.R. pt. 92) and Contract Section D.9 of this Contract.
 - b. Records. The Contractor shall keep such records as may be necessary in order to submit timely, complete and accurate compliance reports that may be requested by the U.S. Department of Health and Human Services (“HHS”), the U.S. Department of Justice (“DOJ”), TennCare, and the Tennessee Human Rights Commission (“THRC”) or their designees. If requested, the information shall be provided in a format and timeframe specified by HHS, DOJ, TennCare, or THRC. The requested information may be necessary to enable HHS, DOJ, TennCare, or THRC to ascertain whether the Contractor is complying with the applicable civil rights laws. For example, the Contractor should have available data showing the manner in which services are or will be provided by the program in question, and related data necessary for determining whether any persons are or will be denied such services on the basis of prohibited discrimination. Further examples of data that could be requested can be found at 45 C.F.R. § 80.6 and 28 C.F.R. § 42.406.
 - c. Access. The Contractor shall permit access as set forth in the applicable civil rights laws, such as, 45 C.F.R. § 80.6 to HHS, DOJ, TennCare, and THRC or their designees during normal business hours to such of its books, records, accounts, and other sources of information, and its facilities as may be pertinent to ascertain whether the Contractor is complying with the applicable civil rights laws, subject to Contractor’ on-site security policies over its facilities and systems to the extent that said policies do not prevent the State’s ability to conduct the audit. If required to conduct such civil rights audit, Contractor may provide a screen share or attestation; however, will not provide access to any personnel records without redaction.
 - d. Discrimination Complaint Investigations. In the event, a discrimination complaint is filed by either a TennCare employee or a Contractor staff member alleging an incident claimed to be caused by either the Contractor’s staff or one of its subcontractors who are considered to be performing duties under this contract, the Contractor shall cooperate with TennCare’s Office of Civil Rights Compliance (“OCRC”) during the investigation and resolution of the complaint allegation. Should the Contractor receive a report of a discrimination complaint allegation related to the activities being performed under this contract, the Contractor shall inform OCRC of the complaint within two (2) business days from the date Contractor learns of the complaint, OCRC shall determine the complaint investigation outcome, resolution and/or corrective action.
 - e. Electronic and Information Technology Accessibility Requirements.
 1. The Contractor shall comply with the civil rights requirements set forth in 42 C.F.R. § 433.112 regarding the design, development, installation or enhancement of

mechanized processing and information retrieval systems. In addition, the Contractor shall participate in the State's effort to comply with the nondiscrimination requirements for acquiring automatic data and processing equipment and services set forth in 45 C.F.R. § 95.633.

2. To the extent that the Contractor is using electronic and information technology to fulfill its obligations under this Contract, the Contractor agrees to comply with the electronic and information technology accessibility requirements under the federal civil rights laws including Section 504 and Section 508 of the Rehabilitation Act of 1973 ("Section 508"), the Americans with Disabilities Act, and 45 C.F.R. pt. 92 (or any subsequent standard adopted by an oversight administrative body, including the Federal Accessibility Board). To comply with the accessibility requirements for Web content and non-Web electronic documents and software, the Contractor shall use the most current W3C's Web Content Accessibility Guidelines ("WCAG") level A or higher (For the W3C's guidelines see: <https://www.w3.org/WAI/standards-guidelines/wcag/new-in-21/>) (More resources can be found at <https://www.w3.org/WAI/> and <https://www.access-board.gov/guidelines-and-standards/communications-and-it/>).
- f. **Training.** On an annual basis, the Contractor shall be responsible for making nondiscrimination training available to all Contractor staff performing Services hereunder and to its subcontractors that are considered to be recipients of federal financial assistance under this contract. The Contractor shall be able to show documented proof to OCRC that the training was made available to the Contractor's staff and to its subcontractors that are considered to be recipients of federal financial assistance under this contract.

E.10. Social Security Administration (SSA) Required Provisions for Data Security (if applicable).

- a. Definitions.
 1. SSA-supplied data" or "data" as used in this section means an individual's personally identifiable information (e.g., name, social security number, income), supplied by the Social Security Administration to TennCare to determine entitlement or eligibility for federally-funded programs pursuant to a Computer Matching and Privacy Protection Act Agreement and Information Exchange Agreement between SSA and the State of Tennessee.
- b. The Contractor shall comply with limitations on use, treatment, and safeguarding of data under the Privacy Act of 1974 (5 U.S.C. 552a), as amended by the Computer Matching and Privacy Protection Act of 1988, related Office of Management and Budget guidelines, the Federal Information Security Management Act of 2002 (44 U.S.C. §3541, *et seq.*), and related National Institute of Standards and Technology guidelines, which provide the requirements that the SSA stipulates that the Contractor must follow with regard to use, treatment, and safeguarding data in the event data is exchanged with a federal information system. In addition, the Contractor shall have in place administrative, physical, and technical safeguards for data. The Contractor shall also comply with Section 1106(a) of the Act (42 U.S.C. 1306) and the regulations promulgated pursuant to that section (20 C.F.R. Part 401).
- c. The Contractor shall specify in its agreements with any agent or subcontractor that will have access to data that such agent or subcontractor agrees to be bound by the same restrictions, terms and conditions that apply to the Contractor pursuant to this Section;
- d. The Contractor shall not duplicate in a separate file or disseminate, without prior written permission from TennCare, the data governed by the Contract for any purpose other than that set forth in this Contract for the administration of the TennCare program. Should the Contractor propose a redisclosure of said data, the Contractor must specify in writing to TennCare the data the Contractor proposes to redisclose, to whom, and the reasons that justify the redisclosure. TennCare will not give permission for such redisclosure unless the redisclosure is required by law or essential to the administration of the TennCare program.

- e. The Contractor agrees to abide by all relevant federal laws, restrictions on access, use, and disclosure, and security requirements in this Contract.
 - f. The Contractor shall maintain a current list of the employees of such contractor with access to SSA data and provide such lists to TennCare upon request and at any time there are changes.
 - g. The Contractor shall restrict access to the data obtained from TennCare to only those authorized employees who need such data to perform their official duties in connection with purposes identified in this Contract. The Contractor shall not further duplicate, disseminate, or disclose such data without obtaining TennCare's prior written approval.
 - h. The Contractor shall ensure that its employees:
 1. Properly safeguard SSA-supplied data furnished by TennCare under this Contract from loss, theft, or inadvertent disclosure;
 2. Receive regular, relevant, and sufficient SSA data-related training, including use, access, and disclosure safeguards and information regarding penalties for misuse of information;
 3. Understand and acknowledge that they are responsible for safeguarding this information at all times, regardless of whether or not the Contractor employee is at his or her regular duty station;
 4. Ensure that laptops and other electronic devices/ media containing SSA-supplied data are encrypted and/or password-protected;
 5. Send emails containing SSA-supplied data only if the information is encrypted or if the transmittal is secure; and,
 6. Limit disclosure of the information and details relating to a SSA-supplied data loss only to those with a need to know.
 - i. Contractor employees who access, use, or disclose TennCare or TennCare SSA-supplied data in a manner or purpose not authorized by this Contract may be subject to civil and criminal sanctions pursuant to applicable federal statutes.
 - j. Loss or Suspected Loss of Data - If an employee of the Contractor becomes aware of suspected or actual loss of SSA-supplied data, the Contractor must notify TennCare immediately upon becoming aware to report the actual or suspected loss. The Contractor must provide TennCare with timely updates as any additional information about the loss of SSA-supplied data becomes available. If the Contractor experiences a loss or breach of said data, TennCare will determine whether or not notice to individuals whose data has been lost or breached shall be provided and the Contractor shall bear any costs associated with the notice or any mitigation.
 - k. TennCare may immediately and unilaterally suspend the data flow under this Contract, or terminate this Contract, if TennCare, in its sole discretion, determines that the Contractor has: (1) made an unauthorized use or disclosure of TennCare SSA-supplied data; or (2) otherwise violated or failed to follow the terms and conditions of this Contract.
- E.11. Medicaid and CHIP. If applicable, the Contractor must provide safeguards that restrict the use or disclosure of information concerning Medicaid and Children's Health Insurance Plan (CHIP) applicants and beneficiaries to purposes directly connected with the administration of the plan.
- a. Purposes directly related to the administration of Medicaid and CHIP include:
 1. Establishing eligibility;
 2. Determining the amount of medical assistance;
 3. Providing services for beneficiaries; and,
 4. Conducting or assisting an investigation, prosecution, or civil or criminal proceeding related to Medicaid or CHIP administration.

- b. The Contractor must have adequate safeguards to assure that:
 - 1. Information is made available only to the extent necessary to assist in the valid administrative purposes of those receiving said information, and
 - 2. Information received under the Internal Revenue Code (Title 26 of the United States Code (USC)) is exchanged only with parties authorized to receive that information under that section of the United States Code; and, the information is adequately stored and processed so that it is protected against unauthorized disclosure for other purposes.
- c. The Contractor must have criteria that govern the types of information about applicants and beneficiaries that are safeguarded. This information must include, at minimum, the following:
 - 1. Names and addresses;
 - 2. Medical services provided;
 - 3. Social and economic conditions or circumstances;
 - 4. Contractor evaluation of personal information;
 - 5. Medical data, including diagnosis and past history of disease or disability;
 - 6. Any information received for verifying income eligibility and amount of medical assistance payments, including income information received from the Social Security Administration (SSA) or the Internal Revenue Service (IRS);
 - 7. Income information received from SSA or the IRS must be safeguarded according to Medicaid and CHIP requirements;
 - 8. Any information received in connection with the identification of legally liable third-party resources; and,
 - 9. Social Security Numbers.
- d. The Contractor must have criteria approved by TennCare specifying:
 - 1. Conditions for release and use of information about applicants and beneficiaries;
 - 2. Access to information concerning applicants or beneficiaries must be restricted to Contractor representatives or other individuals who are subject to standards of confidentiality that are comparable to those of TennCare;
 - 3. The Contractor shall not publish names of applicants or beneficiaries;
 - 4. The Contractor shall obtain permission from a family or individual, whenever possible, before responding to a request for information from an outside source, unless the information is to be used to verify income, eligibility and the amount of medical assistance payment to an authorized individual or entity, or if, because of an emergency situation, time does not permit obtaining consent before release, the Contractor shall notify TennCare, the family, or individual immediately after supplying the information.
 - 5. The Contractor's policies must apply to all requests for information from outside sources, including governmental bodies, the courts, or law enforcement officials.
 - 6. The Contractor shall notify TennCare of any requests for information on applicants or beneficiaries by other governmental bodies, the courts or law enforcement officials ten (10) days prior to releasing the requested information.
 - 7. If a court issues a subpoena for a case record or for any Contractor representative to testify concerning an applicant or beneficiary, the Contractor must notify TennCare at least ten

(10) days prior to the required production date so TennCare may inform the court of the applicable statutory provisions, policies, and regulations restricting disclosure of information.

8. The Contractor shall not request or release information to other parties to verify income, eligibility, and the amount of assistance under Medicaid or CHIP prior to express approval from TennCare.

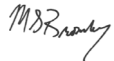
E.12. **Discovery and Litigation.** TennCare is frequently involved in litigation as either a party or a non-party with relevant information. If any such litigation should arise pursuant to this Contract, the Contractor shall cooperate timely with any State attorneys or paralegals at no additional cost to the State, which shall include the following responsibilities:

- a. **Litigation Support.** The Contractor shall make its appropriate personnel available to testify in Tennessee, whether in person before a tribunal or by deposition. The Contractor agrees to waive any objections to any subpoena issued by a Tennessee tribunal, in any case relating to this Contract.
- b. **Discovery and Litigation Hold Requirements.** The Contractor shall cooperate with all TennCare requests to aid in data and document retention and collection, as required for litigation. The Contractor shall promptly provide the State with all information within the Contractor's control if required to do so by a discovery demand or court order in accordance with applicable law. The State will exert its best effort to narrow the scope of any discovery request.

The obligation to meet the discovery and litigation requirements listed above shall survive the termination of the Contract and shall extend to any subcontractor hired by the Contractor to provide goods or perform services on its behalf as required herein.

IN WITNESS WHEREOF,

EQUIFAX WORKFORCE SOLUTIONS LLC:



09/29/2022

CONTRACTOR SIGNATURE

DATE

Mike Bromley

VP / GM Equifax Government Solutions

PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)

**Department of Finance and Administration
Division of TennCare:**

JIM BRYSON, COMMISSIONER

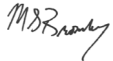
DATE

ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE

<p style="color: red; margin: 0;">If the attestation applies to more than one contract, modify this row accordingly.</p> <p>SUBJECT CONTRACT NUMBER:</p>	
<p>CONTRACTOR LEGAL ENTITY NAME:</p>	Equifax Workforce Solutions LLC
<p>EDISON VENDOR IDENTIFICATION NUMBER:</p>	

If the attestation applies to more than one contract, modify the following paragraph accordingly.

The Contractor, identified above, does hereby attest, certify, warrant, and assure that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract.



CONTRACTOR SIGNATURE

NOTICE: This attestation MUST be signed by an individual empowered to contractually bind the Contractor. Attach evidence documenting the individual's authority to contractually bind the Contractor, unless the signatory is the Contractor's chief executive or president.

Mike Bromley

VP / GM Equifax Government Solutions

PRINTED NAME AND TITLE OF SIGNATORY

09/29/2022

DATE OF ATTESTATION

UNIVERSAL MEMBERSHIP AGREEMENT
for
Equifax Verification Services for Social Services

RECITALS:

- A. EVS operates The Work Number[®] (“TWN”), a service used to verify employment and income information about an individual (“Consumer”), and various other services (“EVS Services”) used to verify certain Consumer information (TWN and EVS Services are collectively referred to herein as the “Service”); and
- B. Agency wishes to use the Service to verify certain Consumer information.

NOW, THEREFORE, the parties agree as follows:

- 1. SCOPE OF THE AGREEMENT.** This Agreement consists of the general terms set forth in the body of this Agreement, Exhibit 1, Exhibit 2, and each Schedule A executed by the parties which may contain additional terms. If there is a conflict between the general terms and conditions of this Agreement and any Exhibit or Schedule, the provisions of the Exhibit or Schedule will govern and control. This Agreement specifically supersedes and replaces any agreement between the parties that predates this Agreement and which relates to the Service as provided in each Schedule A, even if the prior agreement contains an “entire agreement” or “merger” clause, and any such agreements are terminated.
- 2. EVS OBLIGATIONS.** TWN will provide Agency with automated access to certain employment and/or income data (“Data”) furnished to EVS by employers, and the EVS Service will provide Agency with access to certain other information (“Information”) as described in each Schedule A attached hereto.
- 3. AGENCY OBLIGATIONS.**
 - a. Agency shall comply with the terms set forth in this Agreement, and each Exhibit and Schedule attached hereto.
 - b. Agency shall pay for the Services as set forth in each applicable Schedule. Applicable sales, use, privilege, or excise taxes shall be included in each invoice, except as otherwise exempted in the applicable Schedule.
 - c. Agency certifies that it will order Data from TWN only when Agency (i) intends to use the Data in accordance with the Fair Credit Reporting Act (“FCRA”) and all state law FCRA counterparts as though the Data is a consumer report, and (ii) has obtained one of the following FCRA permissible purposes: (1) in connection with a credit transaction involving the Consumer on whom the Data is to be furnished and involving the extension of credit to, or review or collection of an account of, the consumer; (2) in connection with a determination of the consumer’s eligibility for a license or other benefit granted by a governmental instrumentality required by law to consider an applicant’s financial responsibility or status; or (3) when Agency otherwise has a legitimate business need for the information either in connection with a business transaction that is initiated by the Consumer, or to review an account to determine whether the Consumer continues to meet the terms of the account and for no other purpose.
 - d. Agency agrees to only use the Data consistent with the obligations of users of consumer reports as provided for in the Consumer Financial Protection Bureau (the “CFPB”)’s Notice Form attached as Exhibit 1.
 - e. Agency represents it (i) is administering a government funded benefit or program, (ii) has been given the legal authority to view the Data by the Consumer or by operation of law, and (iii) is requesting the Data in compliance with all laws.
 - f. Agency represents it has written authorization from the Consumer to verify income. Agency need not use any particular form of authorization or obtain a separate signature for verifying income provided that the form is auditable and demonstrates to a reasonable degree of certainty that the Consumer has authorized the Agency to receive the income Data. Notwithstanding the foregoing, in the event Agency is using the Service to collect on defaulted child support obligations, Agency is not required to obtain such authorization.
 - g. Agency certifies that it will comply with applicable provisions under Vermont law. In particular, Agency certifies that it will order Data relating to Vermont residents only after Agency has received prior Consumer consent in accordance with VFCRA Section 2480e and applicable Vermont Rules. Agency further certifies that the attached copy of VFCRA Section 2480e applicable Vermont Rules as referenced in Exhibit 2 was received from EVS. No provision in this Agreement, including any exhibits attached hereto or incorporated herein, shall be construed to waive or otherwise limit the sovereignty rights and privileges of the State of Tennessee. To the extent that this Agreement, including any exhibits attached hereto or incorporated herein, imposes any requirement to comply with the laws of any other state or local government, such requirement shall be limited to the extent allowable under Tennessee law.
 - h. Section 1785.14(a) of the California Civil Code imposes special requirements with respect to transactions in which a “retail seller” (as defined in Section 1802.3 of the California Civil Code) intends to issue credit to a California resident who appears in person on the basis of an application for credit submitted in person (“point of sale transactions”). Agency certifies that these requirements do not apply to it because Agency is NOT a “retail seller” (as defined in Section 1802.3 of the California Civil Code), and/or (b) Agency does NOT issue credit to California residents who appear in person on the basis of applications for credit submitted in person. Agency further certifies that it will notify EVS in writing 30 days PRIOR to becoming a retail seller or engaging in point of sale transactions with respect to California residents.
 - i. Agency will comply with the provisions of the FCRA, the Federal Equal Credit Opportunity Act, as amended, all state law counterparts of them, and all applicable regulations promulgated under any of them, including, without limitation, any provisions requiring adverse action notification to the Consumer.
 - j. Agency may use the Data and Information provided through the Service only as described in this Agreement. Agency may reproduce or store the Data and Information obtained from the Service solely for its own use in accordance with this Agreement, and will hold all Data and Information obtained from the Service under this Agreement in strict confidence and will not reproduce, reveal, or make it accessible in whole or in part, in any manner whatsoever, to any others unless permitted in this Agreement, required by law, or Agency first obtains EVS’s written consent; provided, however, that Agency may discuss Consumer Data with the Data subject when Agency has taken

adverse action against the subject based on the Data. Agency will not provide a copy of the Data to the Consumer, except as may be required or permitted by law or approved in writing by EVS, except in any state where this contractual prohibition would be invalid. Agency will refer the Consumer to EVS whenever the Consumer disputes the Data disclosed by Agency. Agency will not interpret the failure of EVS to return Data as a statement regarding that Consumer's credit worthiness, because the failure may result from one or more factors unrelated to credit worthiness.

- k. Agency acknowledges it shall employ decision making processes appropriate to the nature of the transaction and in accordance with industry standards and will use the Data and Information as part of its processes.
- l. "Processing" means accessing (including access to view), transmitting, using, or storing the Services, and any Data or Information provided or obtained through the Services (the "EVS Information"). Agency may Process EVS Information from the United States, Canada, and the United States territories of American Samoa, Guam, the Northern Mariana Islands, Puerto Rico, and the U. S. Virgin Islands (collectively, the "Permitted Territory"). Agency must (i) notify EVS thirty (30) days prior to Processing EVS Information from a location outside of the Permitted Territory, in accordance with the notice requirements described in this Agreement; and (ii) sign an International Access and Use Addendum with EVS prior to Processing EVS Information from a location out of the Permitted Territory. EVS reserves the right to deny any such request for reasons including, without limitation, regulatory requirements, security concerns, or existing contractual obligations. Notwithstanding the foregoing, Agency is prohibited from Processing EVS Information from an Embargoed Country. "Embargoed Country" means any country or geographic region subject to comprehensive economic sanctions or embargoes administered by OFAC or the European Union.
- m. Except as otherwise permitted in Section 4.b. below, Agency may not allow a third party service provider (hereafter "Service Provider") to access, use, or store the Data or Information on its behalf without first obtaining EVS's written permission and without the Service Provider first entering into a separate agreement with EVS.
- n. In order to ensure compliance with this Agreement, applicable law and EVS policies, EVS may conduct reviews of Agency activities, from time to time, during normal business hours, at all locations containing relevant records, with respect to Agency's requests for Data or Information and/or its use of Data or Information. Agency shall provide documentation within a reasonable time to EVS as reasonably requested for purposes of such review. Agency shall cooperate fully with any and all investigations by EVS of allegations of abuse or misuse of the Services and allow EVS to access its premises, records, and personnel for purposes of such investigations if EVS deems such access is necessary to complete such investigation(s). Agency agrees that any failure to cooperate fully and promptly in the conduct of any audit constitutes grounds for immediate suspension of the Service and/or termination of the Agreement, and (iii) shall promptly correct any discrepancy revealed by such investigation(s). Agency shall include the name and email address of the appropriate point of contact to whom such request should be made in the space provided below. Agency may change its contact information upon written notice:

Audit Contact Name	Audit Contact E-mail Address

- o. Additional representations and warranties as may be set forth in each Schedule A.

4. DATA SECURITY. This Section 4 applies to any means through which Agency orders or accesses the Service including, without limitation, system-to-system, personal computer or the Internet. For the purposes of this Section 4, the term "Authorized User" means an Agency employee that Agency has authorized to order or access the Service and who is trained on Agency's obligations under this Agreement with respect to the ordering and use of the Service, and the Data provided through same, including Agency's FCRA and other obligations with respect to the access and use of Data.

- a. Agency will, with respect to handling any Data or Information provided through the Service:
 1. ensure that only Authorized Users can order or have access to the Service;
 2. ensure that Authorized Users do not order Data or Information for personal reasons or provide Data or Information to any third party except as permitted by this Agreement;
 3. inform Authorized Users that unauthorized access to Data may subject them to civil and criminal liability under the FCRA punishable by fines and imprisonment;
 4. ensure that all devices used by Agency to order or access the Service are placed in a secure location and are accessible only by Authorized Users, and that such devices are secured when not in use through such means as screen locks, shutting power controls off, or other security procedures and controls which are standard practice in the data protection industry ("Industry Standard Practices"), for example compliance with ISO 27001 standards;
 5. take all necessary measures to prevent unauthorized ordering of or access to the Service by any person other than an Authorized User for permissible purposes, including, without limitation, (i) limiting the knowledge of the Agency security codes, user names, User IDs, and any passwords Agency may use, to those individuals with a need to know. In addition, the User IDs must be unique to each person, and the sharing of User IDs or passwords is prohibited;
 6. change Agency passwords at least every ninety (90) days or sooner if Agency suspects an unauthorized person has learned the password; and perform at a minimum, quarterly entitlement reviews to recertify and validate Authorized User's access privileges and disable the account of any Agency user who is no longer responsible for accessing the Service;
 7. adhere to all security features in the software and hardware Agency uses to order or access the Services, including the use of IP restriction;
 8. implement secure authentication practices when providing User ID and passwords to Authorized Users, including but not limited to using individually assigned email addresses and not shared email accounts;

9. in no event access the Services via any unregistered wireless hand-held communication device, that have not gone through Agency's device enrollment, access, and authentication process. Such process shall be reviewed and approved by EVS prior to allowing access to Services via any hand-held communication device;
 10. not use non-agency owned assets such as personal computer hard drives or portable and/or removable data storage equipment or media (including but not limited to laptops, zip drives, tapes, disks, CDs, and DVDs) to store the Data or Information. In addition, Data and Information must be encrypted when not in use and all printed Data and Information must be stored in a secure, locked container when not in use, and must be completely destroyed when no longer needed by cross-cut shredding machines (or other equally effective destruction method) such that the results are not readable or useable for any purpose. In either case, Industry Standard Practices for the type of Data and Information received from EVS must be employed;
 11. if Agency sends, transfers or ships any Data or Information, encrypt the Data and Information using the following minimum standards, which standards may be modified from time to time by EVS: FIPS 140-2 compliant ciphers and algorithms;
 12. not ship hardware or software between Agency's locations or to third parties without deleting all of EVS's Confidential Information, Agency number(s), security codes, User IDs, passwords, Agency user passwords, and any Consumer information, or Data;
 13. monitor compliance with the obligations of this Section 4, and immediately notify EVS if Agency suspects or knows of any unauthorized access or attempt to access the Service, including, without limitation, a review of EVS invoices for the purpose of detecting any unauthorized activity;
 14. if, subject to the terms of this Agreement, Agency uses a Service Provider to establish access to the Service, be responsible for the Service Provider's use of Agency's user names, security access codes, or passwords, and Agency will ensure the Service Provider safeguards Agency's security access code(s), User IDs, and passwords through the use of security requirements that are no less stringent than those applicable to Agency under this Section 4;
 15. use Industry Standard Practices to assure data security when disposing of any Data and Information obtained from EVS. Such efforts must include the use of those procedures issued by the federal regulatory agency charged with oversight of Agency's activities (e.g. the Federal Trade Commission, the applicable banking or credit union regulator) applicable to the disposal of consumer report information or records;
 16. use Industry Standard Practices to secure Data and Information when stored on servers, subject to the following requirements: (i) servers storing Data and Information must be separated from the Internet or other public networks by firewalls which are managed and configured to meet industry accepted best practices, (ii) Data and Information must be protected through multiple layers of network security, including but not limited to, industry-recognized firewalls, routers, and intrusion detection/prevention devices (IDS/IPS), (iii) access (both physical and network) to systems storing Data and Information must be secure, which must include authentication and passwords that are changed at least every ninety (90) days; and (iv) all servers must be kept current and patched on a timely basis with appropriate security-specific system patches, as they are available;
 17. not allow Data or Information to be displayed via the Internet unless utilizing, at a minimum, a three-tier architecture configured in accordance with industry best practices;
 18. use Industry Standard Practices to establish procedures and logging mechanisms for systems and networks that will allow tracking and analysis in the event there is a compromise, and maintain an audit trail history for at least three (3) months for review;
 19. provide immediate notification to EVS of any change in address or office location and are subject to an onsite visit of the new location by EVS or its designated representative; and
 20. in the event Agency has a Security Incident involving EVS Confidential Information, Agency will fully cooperate with EVS in a security assessment process and promptly remediate any finding. For purposes of this Section 4, "**Security Incident**" means any actual breach, theft or unauthorized access, use, misuse, theft, vandalism, modification or transfer of or to Services or Data.
- b. A cloud service provider ("**CSP**") is a company that offers a component of cloud computing. CSPs generally offer Infrastructure as a Service (IaaS), Platform as a Service (PaaS), or Software as a Service (SaaS). Agency may use a CSP to process, transmit, or store Data and Information, subject to the requirements below.
1. Agency may use Amazon Web Services, Google Cloud Platform, Microsoft Azure, or Salesforce exclusively as their CSP, so long as Agency certifies its CSP has the following minimum requirements: (i) Data and Information at rest is encrypted at a minimum of [REDACTED]; (ii) Data and Information shall be encrypted in transit both internally and externally at a minimum of [REDACTED]; (iii) Agency shall manage all encryption keys within the Agency's CSP; (iv) an inventory shall be kept of all Data and Information within the cloud environment; (v) Data and Information shall be logically and/or physically separated in multi-tenant environments in accordance with industry standards; and (vi) access control standards that include: user provisioning, regular access reviews, password requirements, need to know permissions, and least privilege principles.
 2. For all other CSPs, Agency certifies that Agency will, and will contractually obligate its CSP to, follow EVS's minimum requirements: (i) Data and Information at rest is encrypted at a minimum of [REDACTED]; (ii) Data and Information shall be encrypted in transit both internally and externally at a minimum of [REDACTED]; (iii) Agency shall manage all encryption keys within the Agency's CSP; (iv) an inventory shall be kept of all Data and Information within the cloud environment; (v) Data and Information shall be logically and/or physically separated in multi-tenant environments in accordance with industry standards; (vi) access control standards that include: user provisioning, regular access reviews, password requirements, need to know permissions, and least privilege principles; (vii) utilization of secure data destruction techniques shall be used to destroy Data and Information in accordance with industry standards; (viii) assets that are no longer needed for legal purposes shall be destroyed in accordance with industry standard; (ix) incident handling and forensic support shall be provided in the event of an investigation or

Security Incident; (x) cloud hosted systems shall be patched at the most current levels and have vulnerabilities addressed in accordance with industry standards; (xi) information systems and infrastructures shall follow industry security hardening standard such as DISA STIG or CIS guidance; (xii) CSP's application environment shall be certified by an independent third party (SOC 2 Type 2), if operating in a hybrid environment, a SOC 2 Type 2 or equivalent shall also be required for the Agency; (xiii) Third parties providing support services to the Agency or Agency's CSP shall not have access to Data and Information without prior consent of EVS; (xiv) CSP shall have network-based Intrusion Detection Systems (IDS) and/or Intrusion Prevention Systems (IPS) tools deployed in or around the cloud network infrastructure; (xv) centralized logging and monitoring of the CSP's infrastructure/environment; and (xvi) Agency shall utilize multi-factor authentication (MFA) to remotely access CSP's infrastructure/environment.

- c. If EVS reasonably believes Agency has violated this Section 4, EVS may, in addition to any other remedy authorized by this Agreement, with reasonable advance written notice to Agency and at EVS's sole expense, conduct, or have a third party conduct on its behalf, an audit of Agency's facilities, security practices and procedures to the extent EVS reasonably deems necessary, including an on-site inspection, to evaluate Agency's compliance with the data security requirements of this Section 4.

- 5. **CONFIDENTIALITY.** Reserved.
- 6. **TERM AND TERMINATION.** This Agreement shall be for the term, and terminated as specified in the Contract to which this is attached.
- 7. **RIGHTS TO SERVICE.** The Service and the Data are proprietary to EVS; and all rights to the Service and Data are proprietary to and reserved by EVS.
- 8. **WARRANTY.** Reserved.
- 9. **FORCE MAJEURE.** Reserved.
- 10. **INDEMNIFICATION.** Reserved.
- 11. **LIMITATION OF LIABILITY** Reserved.
- 12. **WAIVER OF JURY TRIAL.** Reserved.
- 13. **MISCELLANEOUS.** Together with the Contract in which this Agreement is incorporated by reference, this Agreement sets forth the entire agreement between the parties regarding the Service. Except as otherwise provided in this Agreement, this Agreement may be amended only by a subsequent writing signed by both parties. This Agreement may not be assigned or transferred by Agency without EVS's prior written consent. If any provision of this Agreement is held to be invalid or unenforceable under applicable law in any jurisdiction, the validity or enforceability of the remaining provisions thereof shall be unaffected as to such jurisdiction and such holding shall not affect the validity or enforceability of such provision in any other jurisdiction. To the extent that any provision of this Agreement is held to be invalid or unenforceable because it is overbroad, that provision shall not be void but rather shall be limited only to the extent required by applicable law and enforced as so limited.
- 14. **NOTICES.** Reserved

UNIVERSAL MEMBERSHIP AGREEMENT
for
Equifax Verification Services

Exhibit 1

All users of consumer reports must comply with all applicable regulations, including regulations promulgated after this notice was first prescribed in 2004. Information about applicable regulations currently in effect can be found at the Consumer Financial Protection Bureau's website, www.consumerfinance.gov/learnmore.

**NOTICE TO USERS OF CONSUMER REPORTS:
OBLIGATIONS OF USERS UNDER THE FCRA**

The Fair Credit Reporting Act (FCRA), 15 U.S.C. 1681-1681y, requires that this notice be provided to inform users of consumer reports of their legal obligations. State law may impose additional requirements. The text of the FCRA is set forth in full at the Bureau of Consumer Financial Protection's website at www.consumerfinance.gov/learnmore. At the end of this document is a list of United States Code citations for the FCRA. Other information about user duties is also available at the Bureau's website. **Users must consult the relevant provisions of the FCRA for details about their obligations under the FCRA.**

The first section of this summary sets forth the responsibilities imposed by the FCRA on all users of consumer reports. The subsequent sections discuss the duties of users of reports that contain specific types of information, or that are used for certain purposes, and the legal consequences of violations. If you are a furnisher of information to a consumer reporting agency (CRA), you have additional obligations and will receive a separate notice from the CRA describing your duties as a furnisher.

I. OBLIGATIONS OF ALL USERS OF CONSUMER REPORTS

A. Users Must Have a Permissible Purpose

Congress has limited the use of consumer reports to protect consumers' privacy. All users must have a permissible purpose under the FCRA to obtain a consumer report. Section 604 contains a list of the permissible purposes under the law. These are:

- As ordered by a court or a federal grand jury subpoena. Section 604(a)(1)
- As instructed by the consumer in writing. Section 604(a)(2)
- For the extension of credit as a result of an application from a consumer, or the review or collection of a consumer's account. Section 604(a)(3)(A)
- For employment purposes, including hiring and promotion decisions, where the consumer has given written permission. Sections 604(a)(3)(B) and 604(b)
- For the underwriting of insurance as a result of an application from a consumer. Section 604(a)(3)(C)
- When there is a legitimate business need, in connection with a business transaction that is initiated by the consumer. Section 604(a)(3)(F)(i)
- To review a consumer's account to determine whether the consumer continues to meet the terms of the account. Section 604(a)(3)(F)(ii)
- To determine a consumer's eligibility for a license or other benefit granted by a governmental instrumentality required by law to consider an applicant's financial responsibility or status. Section 604(a)(3)(D)
- For use by a potential investor or servicer, or current insurer, in a valuation or assessment of the credit or prepayment risks associated with an existing credit obligation. Section 604(a)(3)(E)
- For use by state and local officials in connection with the determination of child support payments, or modifications and enforcement thereof. Sections 604(a)(4) and 604(a)(5)

In addition, creditors and insurers may obtain certain consumer report information for the purpose of making "prescreened" unsolicited offers of credit or insurance. Section 604(c). The particular obligations of users of "prescreened" information are described in Section VII below.

B. Users Must Provide Certifications

Section 604(f) prohibits any person from obtaining a consumer report from a consumer reporting agency (CRA) unless the person has certified to the CRA the permissible purpose(s) for which the report is being obtained and certifies that the report will not be used for any other purpose.

C. Users Must Notify Consumers When Adverse Actions Are Taken

The term “adverse action” is defined very broadly by Section 603. “Adverse actions” include all business, credit, and employment actions affecting consumers that can be considered to have a negative impact as defined by Section 603(k) of the FCRA – such as denying or canceling credit or insurance, or denying employment or promotion. No adverse action occurs in a credit transaction where the creditor makes a counteroffer that is accepted by the consumer.

1. Adverse Actions Based on Information Obtained From a CRA

If a user takes any type of adverse action as defined by the FCRA that is based at least in part on information contained in a consumer report, Section 615(a) requires the user to notify the consumer. The notification may be done in writing, orally, or by electronic means. It must include the following:

- The name, address, and telephone number of the CRA (including a toll-free telephone number, if it is a nationwide CRA) that provided the report.
- A statement that the CRA did not make the adverse decision and is not able to explain why the decision was made.
- A statement setting forth the consumer’s right to obtain a free disclosure of the consumer’s file from the CRA if the consumer makes a request within 60 days.
- A statement setting forth the consumer’s right to dispute directly with the CRA the accuracy or completeness of any information provided by the CRA.

2. Adverse Actions Based on Information Obtained From Third Parties Who Are Not Consumer Reporting Agencies

If a person denies (or increases the charge for) credit for personal, family, or household purposes based either wholly or partly upon information from a person other than a CRA, and the information is the type of consumer information covered by the FCRA, Section 615(b)(1) requires that the user clearly and accurately disclose to the consumer his or her right to be told the nature of the information that was relied upon if the consumer makes a written request within 60 days of notification. The user must provide the disclosure within a reasonable period of time following the consumer’s written request.

3. Adverse Actions Based on Information Obtained From Affiliates

If a person takes an adverse action involving insurance, employment, or a credit transaction initiated by the consumer, based on information of the type covered by the FCRA, and this information was obtained from an entity affiliated with the user of the information by common ownership or control, Section 615(b)(2) requires the user to notify the consumer of the adverse action. The notice must inform the consumer that he or she may obtain a disclosure of the nature of the information relied upon by making a written request within 60 days of receiving the adverse action notice. If the consumer makes such a request, the user must disclose the nature of the information not later than 30 days after receiving the request. If consumer report information is shared among affiliates and then used for an adverse action, the user must make an adverse action disclosure as set forth in I.C.1 above.

D. Users Have Obligations When Fraud and Active Duty Military Alerts are in Files

When a consumer has placed a fraud alert, including one relating to identity theft, or an active duty military alert with a nationwide consumer reporting agency as defined in Section 603(p) and resellers, Section 605A(h) imposes limitations on users of reports obtained from the consumer reporting agency in certain circumstances, including the establishment of a new credit plan and the issuance of additional credit cards. For initial fraud alerts and active duty alerts, the user must have reasonable policies and procedures in place to form a belief that the user knows the identity of the applicant or contact the consumer at a telephone number specified by the consumer; in the case of extended fraud alerts, the user must contact the consumer in accordance with the contact information provided in the consumer’s alert.

E. Users Have Obligations When Notified of an Address Discrepancy

Section 605(h) requires nationwide CRAs, as defined in Section 603(p), to notify users that request reports when the address for a consumer provided by the user in requesting the report is substantially different from the addresses in the consumer’s file. When this occurs, users must comply with regulations specifying the procedures to be followed, which will be issued by the Consumer Financial Protection Bureau and the banking and credit union regulators. The Consumer Financial Protection Bureau regulations will be available at www.consumerfinance.gov/learnmore.

F. Users Have Obligations When Disposing of Records

Section 628 requires that all users of consumer report information have in place procedures to properly dispose of records containing this information. The Consumer Financial Protection Bureau, the Securities and Exchange Commission, and the banking and credit union regulators have issued regulations covering disposal. The Consumer Financial Protection Bureau regulations may be found at www.consumerfinance.gov/learnmore.

II. CREDITORS MUST MAKE ADDITIONAL DISCLOSURES

If a person uses a consumer report in connection with an application for, or a grant, extension, or provision of, credit to a consumer on material terms that are materially less favorable than the most favorable terms available to a substantial proportion of consumers from or through that person, based in whole or in part on a consumer report, the person must provide a risk-based pricing notice to the consumer in accordance with regulations prescribed by the Consumer Financial Protection Bureau.

Section 609(g) requires a disclosure by all persons that make or arrange loans secured by residential real property (one to four units) and that use credit scores. These persons must provide credit scores and other information about credit scores to applicants, including the disclosure set forth in Section 609(g)(1)(D) (“Notice to the Home Loan Applicant”).

III. OBLIGATIONS OF USERS WHEN CONSUMER REPORTS ARE OBTAINED FOR EMPLOYMENT PURPOSES

A. Employment Other Than in the Trucking Industry

If information from a CRA is used for employment purposes, the user has specific duties, which are set forth in Section 604(b) of the FCRA. The user must:

- Make a clear and conspicuous written disclosure to the consumer before the report is obtained, in a document that consists solely of the disclosure, that a consumer report may be obtained.
- Obtain from the consumer prior written authorization. Authorization to access reports during the term of employment may be obtained at the time of employment.
- Certify to the CRA that the above steps have been followed, that the information being obtained will not be used in violation of any federal or state equal opportunity law or regulation, and that, if any adverse action is to be taken based on the consumer report, a copy of the report and a summary of the consumer's rights will be provided to the consumer.
- Before taking an adverse action, the user must provide a copy of the report to the consumer as well as the summary of consumer's rights. (The user should receive this summary from the CRA.) A Section 615(a) adverse action notice should be sent after the adverse action is taken.

An adverse action notice also is required in employment situations if credit information (other than transactions and experience data) obtained from an affiliate is used to deny employment. [Section 615\(b\)\(2\)](#)

The procedures for investigative consumer reports and employee misconduct investigations are set forth below.

B. Employment in the Trucking Industry

Special rules apply for truck drivers where the only interaction between the consumer and the potential employer is by mail, telephone, or computer. In this case, the consumer may provide consent orally or electronically, and an adverse action may be made orally, in writing, or electronically. The consumer may obtain a copy of any report relied upon by the trucking company by contacting the company.

IV. OBLIGATIONS WHEN INVESTIGATIVE CONSUMER REPORTS ARE USED

Investigative consumer reports are a special type of consumer report in which information about a consumer's character, general reputation, personal characteristics, and mode of living is obtained through personal interviews by an entity or person that is a consumer reporting agency. Consumers who are the subjects of such reports are given special rights under the FCRA. If a user intends to obtain an investigative consumer report, Section 606 requires the following:

- The user must disclose to the consumer that an investigative consumer report may be obtained. This must be done in a written disclosure that is mailed, or otherwise delivered, to the consumer at some time before or not later than three days after the date on which the report was first requested. The disclosure must include a statement informing the consumer of his or her right to request additional disclosures of the nature and scope of the investigation as described below, and the summary of consumer rights required by Section 609 of the FCRA. (The summary of consumer rights will be provided by the CRA that conducts the investigation.)
- The user must certify to the CRA that the disclosures set forth above have been made and that the user will make the disclosure described below.
- Upon the written request of a consumer made within a reasonable period of time after the disclosures required above, the user must make a complete disclosure of the nature and scope of the investigation. This must be made in a written statement that is mailed, or otherwise delivered, to the consumer no later than five days after the date on which the request was received from the consumer or the report was first requested, whichever is later in time.

V. SPECIAL PROCEDURES FOR EMPLOYEE INVESTIGATIONS

Section 603(x) provides special procedures for investigations of suspected misconduct by an employee or for compliance with Federal, state or local laws and regulations or the rules of a self-regulatory organization, and compliance with written policies of the employer. These investigations are not treated as consumer reports so long as the employer or its agent complies with the procedures set forth in Section 603(x), and a summary describing the nature and scope of the inquiry is made to the employee if an adverse action is taken based on the investigation.

VI. OBLIGATIONS OF USERS OF MEDICAL INFORMATION

Section 604(g) limits the use of medical information obtained from consumer reporting agencies (other than payment information that appears in a coded form that does not identify the medical provider). If the information is to be used for an insurance transaction, the consumer must give consent to the user of the report or the information must be coded. If the report is to be used for employment purposes— or in connection with a credit transaction (except as provided in regulations issued by the banking and credit union regulators) — the consumer must provide specific written consent and the medical information must be relevant. Any user who receives medical information shall not disclose the information to any other person (except where necessary to carry out the purpose for which the information was disclosed, or as permitted by statute, regulation, or order).

VII. OBLIGATIONS OF USERS OF "PRESCREENED" LISTS

The FCRA permits creditors and insurers to obtain limited consumer report information for use in connection with unsolicited offers of credit or insurance under certain circumstances. Sections 603(l), 604(c), 604(e), and 615(d). This practice is known as "prescreening" and typically involves obtaining from a CRA a list of consumers who meet certain preestablished criteria. If any person intends to use prescreened lists, that person must (1) before the offer is made, establish the criteria that will be relied upon to make the offer and to grant credit or insurance, and (2) maintain such criteria on file for a three-year period beginning on the date on which the offer is made to each consumer. In addition, any user must provide with each written solicitation a clear and conspicuous statement that:

- Information contained in a consumer's CRA file was used in connection with the transaction.
- The consumer received the offer because he or she satisfied the criteria for credit worthiness or insurability used to screen for the offer.
- Credit or insurance may not be extended if, after the consumer responds, it is determined that the consumer does not meet the criteria used for screening or any applicable criteria bearing on credit worthiness or insurability, or the consumer does not furnish required collateral.
- The consumer may prohibit the use of information in his or her file in connection with future prescreened offers of credit or insurance by contacting the notification system established by the CRA that provided the report. The statement must include the address and toll-free telephone number of the appropriate notification system.

In addition, Consumer Financial Protection Bureau has established the format, type size, and manner of the disclosure required by Section 615(d), with which users must comply. The relevant regulation is 12 CFR 1022.54.

VIII. OBLIGATIONS OF RESELLERS

A. Disclosure and Certification Requirements

Section 607(e) requires any person who obtains a consumer report for resale to take the following steps:

- Disclose the identity of the end-user to the source CRA.
- Identify to the source CRA each permissible purpose for which the report will be furnished to the end-user.
- Establish and follow reasonable procedures to ensure that reports are resold only for permissible purposes, including procedures to obtain:
 - (1) the identity of all end-users;
 - (2) certifications from all users of each purpose for which reports will be used; and
 - (3) certifications that reports will not be used for any purpose other than the purpose(s) specified to the reseller. Resellers must make reasonable efforts to verify this information before selling the report.

B. Reinvestigations by Resellers

Under Section 611(f), if a consumer disputes the accuracy or completeness of information in a report prepared by a reseller, the reseller must determine whether this is a result of an action or omission on its part and, if so, correct or delete the information. If not, the reseller must send the dispute to the source CRA for reinvestigation. When a CRA notifies the reseller of the results of an investigation, the reseller must immediately convey the information to the consumer.

C. Fraud Alerts and Resellers

Section 605A(f) requires resellers who receive fraud alerts or active duty alerts from another consumer reporting agency to include these in their reports.

IX. LIABILITY FOR VIOLATIONS OF THE FCRA

Failure to comply with the FCRA can result in state government or federal government enforcement actions, as well as private lawsuits. Sections 616, 617, and 621. In addition, any person who knowingly and willfully obtains a consumer report under false pretenses may face criminal prosecution. Section 619.

The Consumer Financial Protection Bureau website, www.consumerfinance.gov/learnmore, has more information about the FCRA.

Citations for FCRA sections in the U.S. Code, 15 U.S.C. § 1681 et seq.:

Section 602	15 U.S.C. 1681
Section 603	15 U.S.C. 1681a
Section 604	15 U.S.C. 1681b
Section 605	15 U.S.C. 1681c
Section 605A	15 U.S.C. 1681cA
Section 605B	15 U.S.C. 1681cB
Section 606	15 U.S.C. 1681d
Section 607	15 U.S.C. 1681e
Section 608	15 U.S.C. 1681f
Section 609	15 U.S.C. 1681g
Section 610	15 U.S.C. 1681h
Section 611	15 U.S.C. 1681i
Section 612	15 U.S.C. 1681j
Section 613	15 U.S.C. 1681k
Section 614	15 U.S.C. 1681l
Section 615	15 U.S.C. 1681m
Section 616	15 U.S.C. 1681n
Section 617	15 U.S.C. 1681o
Section 618	15 U.S.C. 1681p
Section 619	15 U.S.C. 1681q
Section 620	15 U.S.C. 1681r
Section 621	15 U.S.C. 1681s
Section 622	15 U.S.C. 1681s-1
Section 623	15 U.S.C. 1681s-2
Section 624	15 U.S.C. 1681t
Section 625	15 U.S.C. 1681u
Section 626	15 U.S.C. 1681v
Section 627	15 U.S.C. 1681w
Section 628	15 U.S.C. 1681x
Section 629	15 U.S.C. 1681y

UNIVERSAL MEMBERSHIP AGREEMENT

**for
Equifax Verification Services**

Exhibit 2

VERMONT FAIR CREDIT REPORTING CONTRACT CERTIFICATION

The undersigned, _____ (“Agency”), acknowledges that it subscribes to receive various information services from Equifax Workforce Solutions LLC, provider of Equifax Verification Services (“EVS”), in accordance with the Vermont Fair Credit Reporting Statute, 9 V.S.A. § 2480e (1999), as amended (the “VFCRA”), and the federal Fair Credit Reporting Act, 15, U.S.C. 1681 et. seq., as amended (the “FCRA”), and its other state law counterparts. In connection with Agency's continued use of EVS services in relation to Vermont consumers, Agency hereby certifies as follows:

Vermont Certification. Agency certifies that it will comply with applicable provisions under Vermont law. In particular, Agency certifies that it will order Data relating to Vermont residents, that are credit reports as defined by the VFCRA, only after Agency has received prior consumer consent in accordance with VFCRA § 2480e and applicable Vermont Rules. Agency further certifies that the attached copy of VFCRA § 2480e applicable Vermont Rules were received from EVS.

Agency: _____

Signed By: _____

Printed Name and Title: _____

Account Number: _____

Date: _____

Please also include the following information:

Compliance Officer or Person Responsible for Credit Reporting Compliance

Name: _____

Title: _____

Mailing Address: _____

E-Mail Address: _____

Phone: _____ Fax: _____

Vermont Fair Credit Reporting Statute, 9 V.S.A. § 2480e (1999)

§ 2480e. Consumer consent

(a) A person shall not obtain the credit report of a consumer unless:

- (1) the report is obtained in response to the order of a court having jurisdiction to issue such an order; or
- (2) the person has secured the consent of the consumer, and the report is used for the purpose consented to by the consumer.

(b) Credit reporting agencies shall adopt reasonable procedures to assure maximum possible compliance with subsection (a) of this section.

(c) Nothing in this section shall be construed to affect:

(1) the ability of a person who has secured the consent of the consumer pursuant to subdivision (a)(2) of this section to include in his or her request to the consumer permission to also obtain credit reports, in connection with the same transaction or extension of credit, for the purpose of reviewing the account, increasing the credit line on the account, for the purpose of taking collection action on the account, or for other legitimate purposes associated with the account; and

(2) the use of credit information for the purpose of prescreening, as defined and permitted from time to time by the Federal Trade Commission.

VERMONT RULES * CURRENT THROUGH JUNE 1999 *****

**AGENCY 06. OFFICE OF THE ATTORNEY GENERAL
SUB-AGENCY 031. CONSUMER PROTECTION DIVISION
CHAPTER 012. Consumer Fraud--Fair Credit Reporting
RULE CF 112 FAIR CREDIT REPORTING
CVR 06-031-012, CF 112.03 (1999)
CF 112.03 CONSUMER CONSENT**

(a) A person required to obtain consumer consent pursuant to 9 V.S.A. §§ 2480e and 2480g shall obtain said consent in writing if the consumer has made a written application or written request for credit, insurance, employment, housing or governmental benefit. If the consumer has applied for or requested credit, insurance, employment, housing or governmental benefit in a manner other than in writing, then the person required to obtain consumer consent pursuant to 9 V.S.A. §§ 2480e and 2480g shall obtain said consent in writing or in the same manner in which the consumer made the application or request. The terms of this rule apply whether the consumer or the person required to obtain consumer consent initiates the transaction.

(b) Consumer consent required pursuant to 9 V.S.A. §§ 2480e and 2480g shall be deemed to have been obtained in writing if, after a clear and adequate written disclosure of the circumstances under which a credit report or credit reports may be obtained and the purposes for which the credit report or credit reports may be obtained, the consumer indicates his or her consent by providing his or her signature.

(c) The fact that a clear and adequate written consent form is signed by the consumer after the consumer's credit report has been obtained pursuant to some other form of consent shall not affect the validity of the earlier consent.

SCHEDULE A

Equifax Verification Services, provided by EVS
Service Descriptions

(“Agency”): Department of Finance and Administration, Division of TennCare

Effective date of this Schedule A (“Effective Date”): January 1, 2023

The Work Number® Express Social Service is an employment and income verification service provided by Equifax Workforce Solutions LLC (f/k/a TALX Corporation), a provider of Equifax Verification Services, a Missouri limited liability company (“EVS”). EVS shall provide the Service to Agency in accordance with the Contract (Tracking #31865-00857) between Equifax Workforce Solutions LLC and the State of Tennessee – Department of Finance and Administration – Division of TennCare dated January 1, 2023, which includes the Universal Membership Agreement, Exhibits 1 and 2 and this Schedule A. This Schedule A, including all attachments hereto, specifically supersedes and replaces any Schedules, Statements of Work, and other product or pricing agreements between the parties that predate this Schedule A and which relate to the Service(s) selected below in this Schedule A, even if the prior agreements contains an “entire agreement” or “merger” clause, and any such Schedules, Statements of Work, and other product or pricing agreements are terminated.

I. **Term:** The term of this Schedule shall begin on the Effective Date and continue for a period of thirty-six (36) months (“Initial Term”), unless earlier terminated as set forth in the Contract. Upon expiration of the Initial Term and the State exercising its renewal option in accordance with Contract Section B.2, this Schedule shall renew upon the mutual written agreement of the parties.

II. **The Work Number® Services.**

The Work Number® Express Social Service Verification. A Social Service verification report provided via the Service (“Verification Report”) will include, without limitation and as available, the Consumer’s (i) employer name, (ii) employment status, (iii) employer address, (iv) employment dates, (v) position title, (vi) medical and dental insurance information, (vii) employer wage garnishment address, (viii) pay rate, (ix) up to three (3) years of year-to-date gross income details, and (x) up to three (3) years of pay period detail. Data provided may be from current or prior employers.

III. **Other EVS Services.**

A. **IRS Income Verification Services.**

IRS Tax Transcript Fulfillment. EVS shall provide Agency with the IRS Tax Transcript Fulfillment Service as requested by Agency. Tax documents may be ordered by a representative of Agency. A completed IRS 4506-C consent form, which has been signed by the Consumer within the timeframe allowed by the IRS prior to submission, is required for every order. EVS shall perform an initial quality review of IRS consent forms submitted by a representative of Agency to ensure that the appropriate Consumer information and signature are provided to EVS prior to the delivery to the IRS. The tax transcript document provided to EVS by the IRS is then made available to Agency. EVS shall provide Agency with the Tax Transcript Summary Report when available. This report provides an overview of key Data elements and analysis from each tax transcript ordered by Agency.

B. **Included Services.**

The following Service is also available for use along with The Work Number® Express Social Service Verification. Agency will **only be billed for this Service when Agency makes use of this Service.**

Verification of Property Services.

Property Verification is a Service that allows Agency to instantly confirm if an individual owns non-commercial residential property. Property Verification includes, where available: (i) Individual’s Name; (ii) Social Security Number; (iii) Name on Deed; (iv) Property Use; (v) Property Address; (vi) Date of Transaction; (vii) Price on Transaction; (viii) Transaction Type; and (ix) Parcel Number. Information provided with this Service will also include (i) certain Consumer information, and (ii) information from Identity Scan™, which is an on-line warning system containing information that can be used to detect possible or known identity theft and application fraud.

SCHEDULE A-1
Additional Terms and Conditions

I. Terms and Conditions Applicable to all Services

- A. Audit.** Upon request by EVS at any time, Agency shall provide Consumer authorizations to verify the Consumer's information, including but not limited to the Consumer's income, and Agency shall provide EVS with records as EVS may reasonably request to conduct such audit(s). Agency's failure to fully cooperate or to produce requested consumer authorizations may result in immediate suspension of the Services until such time as Agency corrects any discrepancy revealed by such audit.
- B. Modification of Service Description.** EVS may modify the Service Descriptions of Schedule A, on thirty (30) days' notice to Agency. Upon receipt of such notice, Agency may (i) require a subsequent writing signed by both parties to document the change in the Service Description; or (ii) terminate the Agreement and/or this Schedule A within thirty (30) days after such modification notice by providing written notice of termination to EVS. Absence of such termination shall constitute Agency's agreement to the modification.
- C. Compliance with Laws.** Agency will comply with all applicable laws, statutes and regulations regarding the Services. Where applicable, Agency will comply with Title V of the Gramm-Leach-Bliley Act, 15 U.S.C. Sec. 6801 et seq. ("GLB") and the implementing regulations issued thereunder and any other applicable statutes or federal laws, Agency will not use or disclose any Information other than in accordance with Section 6802(c) or with one of the General Exceptions of Section 6802(e) of the GLB and applicable regulations and all other Privacy Laws.

II. Terms and Conditions Applicable to The Work Number® Services

A. Agency Representation

Agency represents that it has authorization from the Consumer authorizing Agency to verify income Data. Agency need not use any particular form of authorization for an income verification, provided the authorization is auditable and demonstrates to a reasonable degree of certainty that the Consumer has authorized Agency to receive the income Data.

B. Input Requirements.

1. **Online.** Agency shall request access to Data and Service by inputting the Consumer's social security number at the relevant EVS website.
2. **Batch.** Agency may request the Data and Service be delivered via 'batch' by creating and delivering a request file of a minimum of one hundred (100) social security numbers to EVS using EVS's standard format and secure batch website.

C. Delivery.

1. **Online.** The Service will be delivered online, providing automated access to requested Data.
2. **Batch.** Upon submission of a file, Agency is obligated to pay all resultant Fees in accordance with the Agreement. Following a batch submission consistent with the input requirements above, EVS will deliver a return file of Data via the secure batch website.

III. Terms and Conditions Applicable to Other EVS Services

A. IRS Income Verification Services.

Agency Certification. Agency certifies that Agency has procedures and policies in place to validate the identities of all individuals authorized to submit and retrieve IRS transcripts on behalf of Agency.

B. Property Verification Services.

Delivery. The Property Verification Service will provide automated access to certain public tax record data via the internet.

Input. Agency may obtain a Property Verification by providing a consumer's first name, last name and social security number.

FCRA. The information provided as party of the Property Verification is not a consumer report, as defined in the FCRA and may not be used to determine eligibility for a permissible purpose under the FCRA or in any manner that would cause the Data to be characterized as consumer report information under the FCRA.

Use. Information provided can be used for Agency's internal business purposes only, and is limited to a single use for the purpose in which it was obtained.

Identity Scan™ Restricted Use. Provided as part of the Property Verification services, Identity Scan™ is based on information that was not collected, in whole or in part, for the purpose of serving as a factor in establishing a consumer's eligibility for credit or insurance to be used primarily for personal, family or household purposes; employment purposes; or any other purpose authorized under the FCRA. Accordingly, Agency will not use Identity Scan™ as part of its decision-making process for determining the consumer's eligibility for credit or any other FCRA permissible purpose. Agency may only use the alert or warning message from the Identity Scan™ system as an indication that the consumer's application information should be independently verified prior to a credit decision. Agency understands that the information supplied by Identity Scan™ may or may not apply to the consumer who has applied to Agency for credit. Agency also understands and agrees that data from the Identity Scan™ system is proprietary to EVS and shall not be used as a component of any database or file built or maintained by Agency. The use of such data shall be limited to the specific transaction for which the Identity Scan™ alert message is provided.

C. Gramm-Leach-Bliley ("GLB") Data. The Consumer information provided through the Property Verification services is not a consumer report. Such Consumer information is subject to the requirements set forth in the GLB.

D. FCRA DISCLAIMER. THE PARTIES ACKNOWLEDGE THAT THE NON-FCRA VERIFICATION SERVICES DO NOT PROVIDE INFORMATION FURNISHED TO EVS BY EMPLOYERS AND ARE THAT SUCH SERVICES ARE NOT SUBJECT TO THE FAIR CREDIT REPORTING ACT ("FCRA") AND STATE LAW FCRA COUNTERPARTS. THE PARTIES ACKNOWLEDGE THAT THE PROVISIONS OF AND EXHIBITS TO THE UNIVERSAL MEMBERSHIP AGREEMENT WHICH REQUIRE COMPLIANCE WITH FCRA STANDARDS SHALL NOT APPLY TO THESE SERVICES.

E. **FCRA CERTIFICATION.** AGENCY CERTIFIES THAT IT WILL NOT USE ANY INFORMATION OBTAINED FROM THE NON-FCRA VERIFICATION SERVICES (“INFORMATION”) IN SUCH A MANNER THAT CAUSES THE INFORMATION TO BE CHARACTERIZED AS A “CONSUMER REPORT” AS DEFINED IN THE FCRA. AGENCY AND EVS AGREE THAT THE NON-FCRA VERIFICATION SERVICES PROVIDED HEREUNDER SHALL NOT CONSTITUTE A CONSUMER REPORT UNDER THE FCRA.

SCHEDULE A-2
Service Pricing AND Payment Terms

I. Service Pricing.

The Work Number® Services		<p>Third Party Fee. EVS will pass along any fees incurred by third parties to Agency. EVS will post these third party fees as a separate line item on the invoices.</p> <p>Technology Portal Delivery Fee. EVS will pass along any delivery fees incurred for the use of a technology portal connection, as specified by Agency, to Agency. EVS will post these technology portal delivery fees as a separate line item on the invoices.</p>	
Minimum Annual Payment Commitment	Number of Transactions Included with Minimum Annual Payment Commitment	Monthly Installment Charge (i.e., Minimum Annual Payment Commitment divided into 12 equal installment payments)	Overage Charges Per Transaction
<p>Initial Term:</p> <p>Year 1: 1/1/2023-12/31/2023 - \$3,048,500</p> <p>Year 2: 1/1/2024 – 12/31/2024 -\$3,277,138</p> <p>Year 3: 1/1/2025 – 12/31/2025 -3,555,694</p> <p>Option Year Terms:</p> <p>Option Year 4: 1/1/2026 - 12/31/2026 - \$3,875,707</p> <p>Option Year 5: 1/1/2027 - 12/31/2027 - \$4,224,520</p>	<p>1/1/2023 – 12/31/2027: 455,000 Transactions</p>	<p>Year 1: \$254,041.67</p> <p>Year 2: \$273,094.83</p> <p>Year 3: \$296,307.83</p> <p>Option Year 4: \$322,975.58</p> <p>Option Year 5: \$352,043.33</p>	<p>Year 1: \$7.20</p> <p>Year 2: \$7.70</p> <p>Year 3: \$8.31</p> <p>Option Year 4: \$9.02</p> <p>Option Year 5: \$9.78</p>
Pricing Terms			
<ul style="list-style-type: none"> Each employer record returned in a Verification Report constitutes a separate “Transaction”. For example, two (2) employers returned in a Verification Report, will count as two (2) separate Transactions. Fees are based on one use/decision per Verification Report. Agency may select which employment records to order when accessing the Service online by selecting from various “pay date” range or “Purchase all” options. Order options will include: “3 full months”, “6 full months”, “1 full year”, “3 full years”, and “Purchase all” records. Date ranges go back in full calendar months, i.e. selecting “3 full months” on January 30, would result in all records available between October 1 and January 30. If multiple records exist in the date range option Agency selects, then each record will count as a separate Transaction. The Annual Price for the products listed above will be payable in equal Monthly Installments. Agency agrees and acknowledges that the Monthly Installment Charge will be due and payable even when no Transactions are processed during the period. If Agency exceeds the number of Transactions included with the Minimum Annual Payment Commitment during the Term, applicable Overage Charges will be charged in addition to the Monthly Installment Charge for the remainder of the then-current Term. Notwithstanding anything herein or the Agreement to the contrary, in the event Agency terminates this Schedule A prior to the end of the then-current term, Agency shall pay one hundred percent (100%) of the remaining Minimum Annual Payment Commitment due under the then-current year obligation, including any overages that have been incurred, but not paid. Should the Agency cancel prior to the end of the month, that month (and any overages incurred in that month) shall be considered part of the remaining Minimum Annual Payment Commitment. 			
Other EVS Services Select “Yes” or “No” as applicable			
IRS Income Verification Service		<p>IRS Tax Year Fee. EVS will pass along any program fees implemented by the IRS to Agency. EVS will post these IRS program fees as a separate line item on the invoices.</p> <p>Technology Portal Delivery Fee. EVS will pass along any delivery fees incurred for the use of a technology portal connection, as specified by Agency, to Agency. EVS will post these technology portal delivery fees as a separate line item on the invoices.</p>	
No	IRS Tax Transcript Fulfillment	\$8.00	
Verification of Property Services		<p>Technology Portal Delivery Fee. EVS will pass along any delivery fees incurred for the use of a technology portal connection, as specified by Agency, to Agency. EVS will post these technology portal delivery fees as a separate line item on the invoices.</p>	
Property Verification per Submission Fee (Available when ordering services online)		\$1.98	

A "Submission" is defined by a database search which is conducted regardless of whether or not Information is returned. The above pricing reflects the fee for each Submission and is based on one use/decision per Submission.

II. Additional Service Fees.

Setup Fee for Express Social Service Verification:	Renewal - Not Applicable
Monthly Account Servicing Fee (1/1/2023 – 12/31/2027)	\$2,500.00

III. Payment Terms and Conditions.

A. Invoices. Invoices are due net forty-five (45) days from receipt of invoice. Agency will be invoiced electronically through EVS's Electronic Invoice Presentation & Payment (EIPP) program. Requests for paper billing are available upon Agency's request and are subject to additional monthly fees. Such fees are subject to modification by EVS at intervals of no less than one year, upon prior written notice. If payment is made by credit card, EVS will charge the credit card each month for Transactions completed in the prior month.

Undisputed invoices outstanding over forty five (45) days may result in loss of access to the Service. If Agency, in good faith, disputes any portion of an amount invoiced, Agency shall pay such amount as it in good faith believes to be correct and provide written notice stating the reasons why the remaining disputed amount is incorrect, along with supporting documentation. All disputes must be submitted to EVS in writing within ninety (90) days from the date of the invoice for those Services. Agency waives the right to dispute any portion of the invoice that is not disputed within such ninety (90) day period.

In the event the Parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights hereunder. For the avoidance of doubt, invoices issued which reflect a price change or pertain to fees for service description modifications that have been accepted according to the terms of this Schedule, shall be deemed correct invoices for purposes of this section.

B. Agency Purchase Orders. In accordance with subsection C.1 of the Contract, use of a Purchase Order ("PO") or similar ordering document is required by Agency, and the following information must be provided when a PO is executed for payment. Failure to include this information reflects Agency's agreement that a PO shall not be required by Agency. Agency shall provide notice of any PO changes no less than ninety (90) days prior to the expiration of any then current PO. No additional terms and conditions shall be included in the PO unless expressly agreed to in writing by the Parties. If there is a conflict between language in the PO and the Contract, the Contract shall control. The PO Amount or dollar limit, if applicable, of initial PO does not limit or otherwise impact any minimum ordering obligations or purchase commitments specified herein. The PO effective dates (as defined below) do not impact the Effective Date(s) or Term(s) specified herein. The EWS PO contact information is: purchaseorders@equifax.com.

PO Number (or similar):		PO Amount:	
PO Start Date:		PO End Date:	
PO Contact Name:		PO Contact Email:	

C. Taxes. The parties agree Agency is tax exempt and has provided proof of status to EVS prior to, or no later than upon execution of the Agreement.

Exhibit A

Agency Information

(To be completed by Agency prior to Services being provided)

Agency Name:	_____
DBA or Management Agency, if different:	_____
Website address:	_____
Main Contact:	_____
Title:	_____
Phone #:	_____
Supervisor:	_____

Address:	_____
City:	_____
State:	_____
Zip Code:	_____
E-mail:	_____
Fax #:	_____
Supervisor Phone#	_____

Physical address of where verifications will be performed (if different than above).	_____
Onsite contact for onsite inspection.	_____
Onsite contact email and phone number.	Mobile: _____ (Preferred for faster virtual onsite requests)

Additional User Information

IMPORTANT: All individuals who will use the service must be registered below. During the login process, the user will be asked for their registered fax number and/or email address. All fields are mandatory.

	<u>Name</u>	<u>E-mail Address</u>	<u>Fax Number</u>
User1:	_____	_____	_____
User2:	_____	_____	_____
User3:	_____	_____	_____
User4:	_____	_____	_____
User5:	_____	_____	_____

Please provide the names, fax numbers and e-mail addresses of up to five (5) additional users. Note: The "Main Contact" above will have the ability to add users via the **webManager** function. WebManagers have the ability to add, manage and approve users within the organization. If Agency has additional users, once Agreement is accepted, Agency will receive more information on how to register users.

Billing Information

Billing Contact:	_____
Billing Contact Title:	_____
Billing Phone #:	_____
Billing Fax #:	_____
Billing E-mail:	_____

Billing Address:	_____
City:	_____
State:	_____
Zip Code:	_____

Is Agency Tax Exempt? Yes No

If Yes, Please submit tax exemption certificate.

Agency Type:

<input type="checkbox"/>	Federal/State/County/City/Local/Government	<input type="checkbox"/>	Social Security Administration
<input type="checkbox"/>	Non- Profit Organization	<input type="checkbox"/>	Housing Authority
<input type="checkbox"/>	For-Profit Organization	<input type="checkbox"/>	Third Party Vendor for Government Agency
<input type="checkbox"/>	Apartment Complex/Property Management	<input type="checkbox"/>	Other: Please specify

Each program requires documented proof. Specific Program(s) that will use this service:

<input type="checkbox"/>	Food Stamps	<input type="checkbox"/>	TANF	<input type="checkbox"/>	MEDICAID
<input type="checkbox"/>	Child Support Enforcement	<input type="checkbox"/>	Daycare Assistance	<input type="checkbox"/>	Low-Income Energy Assistance
<input type="checkbox"/>	Pre-Employment	<input type="checkbox"/>	Work-related Assistance	<input type="checkbox"/>	Collections
<input type="checkbox"/>	Low-Income Housing	<input type="checkbox"/>	Mortgage Loans	<input type="checkbox"/>	
<input type="checkbox"/>	Other: (Please indicate other program(s) that will use this service: _____)				

If Agency is an **Apartment Complex** or **Property Management Agency**, please answer the following questions:

How many units does Agency have? _____ How many of those are subsidized units? _____

Note: Subsidized units are those in which the owner receives funds from Federal, State, County or Local Government.

Is Agency affiliated with City/State Housing Authority? Yes No

If yes, please include the name: _____

Qualifications: In order to process Agency's application, Agency's agency/organization is required to provide proof (supporting documentation) of Agency's need for employment and income verifications. Please provide the following:

Federal/State/County/City/Local/Government	Social Security Administration
Copy of program's application Income guidelines to determine eligibility	Copy of program's application Income guidelines to determine eligibility
Non-Profit / For-Profit Organizations	Third Party Vendor for Government Agency
Copy of program's application Income guidelines to determine eligibility Affiliation (contract) with a Federal/State/County/City/Local/Government Funding source	Copy of program's application Income guidelines to determine eligibility Affiliation (contract) with a Federal/State/County/City/Local/Government Funding source.
Housing Authority	Apartment Complex/Property Management
Copy of tenant's application Income guidelines for low-income housing Complete HUD Schedule or Rural Development Rent Schedule or L.U.R.A. (Land Use Restriction Agreement)	Copy of tenant's application Income guidelines for low-income housing Complete HUD Schedule or Rural Development Rent Schedule or L.U.R.A. (Land Use Restriction Agreement)

Failure to provide supporting documentation, which must include the name of Agency's agency/organization/Agency name, may delay processing of Agency's agreement or disqualify Agency's application.