

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM: 3.18
(ID # 19577)

MEETING DATE:
Tuesday, August 02, 2022

FROM : HUMAN RESOURCES:

SUBJECT: HUMAN RESOURCES: Approve the Service Agreement with AssureHire for Online Background Report Services for up to \$200,000 annually for five (5) years with one five (5) year renewal option, All Districts. [Total Cost\$2,000,000, 100% Departmental Budgets]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the Service Agreement with AssureHire for Online Background Report Services for up to \$200,000 annually for five (5) years with one five (5) year renewal option for a total of up to \$2,000,000 through June 30, 2032; an
2. Authorize the Chair of the Board to sign three (3) copies of the Agreement, and the Clerk to retain one and return two to Human Resources for distribution; and,
3. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, based on the availability of fiscal funding, and approved as to form by County Counsel to: Sign amendments that exercise the options of the agreement including modifications of the statement of work that stay within the intent of the Agreement.

ACTION:

Michael Bowers

Michael Bowers, Assistant HR Director

7/25/2022

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Washington, seconded by Supervisor Jeffries and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: August 2, 2022
xc: HR

Kecia R. Harper
Clerk of the Board

By: *[Signature]*
Deputy

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 200,000	\$ 200,000	\$ 2,000,000	\$
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$
SOURCE OF FUNDS: 100% Human Resources General Support Services (GSS) Rate			Budget Adjustment:	No
			For Fiscal Year:	2023-2032

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The Human Resources Department uses background reports to conduct pre-employment and pre-appointment background checks on behalf of those County departments utilizing its background check services. Background checks are conducted on different types of County applicants, including employment candidates to whom job offers have been made, as well as volunteer applicants, contractor applicants, and clinical privileges applicants.

The primary goal of the background check program is to obtain information to make well-informed decisions about the suitability of applicants while mitigating claims of negligent hiring and retention.

Background reports include a seven-year address, employment, and criminal conviction history, credit report (depending on position), education verification, sex offender registry search, and state motor vehicle report.

Currently the Human Resources Department processes third-party background checks and verification of employment and education by logging into an outside portal to complete information on the candidate being screened. The vendor then sends the candidate a link to complete necessary information in the same outside portal to start the screening process. Once complete, a link is sent to the County to access the results of the background check. Then if the report needs to be in the applicant's record in NeoGov, the Department has to download a copy and import it into NeoGov.

With this award, candidates will no longer have to access a separate portal, and the background process will become seamless. Human Resources will be able to order the background report in NeoGov, the applicant will be able to complete the report in NeoGov within their own record, and the report results will be provided in NeoGov and become part of the applicant's stored documents.

Impact on Residents and Businesses

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

There is no expected impact on residents or private businesses. These services will help the County provide customer centric public service that is better, faster, and fiscally prudent through technology.

Additional Fiscal Information

In FY20-21, HR performed 5,300 background checks. In FY21-22, that number has nearly doubled to 10,000. The average cost per background check, not including any other fees or more extensive packages, is \$18. The recent level of recruitment activity is expected to continue, therefore the Department is requesting an annual not-to-exceed amount of up to \$200,000 for up to 10 years, for a grand total of up to \$2,000,000.

Contract History and Price Reasonableness

On May 20, 2002 the Purchasing Department on behalf of Human Resources issued Request for Proposal (RFP) #97917 from which USA Fact of Riverside, CA was awarded a four (4) year contract for Online Background Report Services. It was extended until 2008 when the County issued and awarded RFP #HRARC-029 to ScreeningOne, Inc. for five (5) years until 2013 when the County issued RFP #HRARC-053 and awarded Accurate Background in 2014 to integrate with the County's then Talent Acquisition Management (TAM) software so that recruiters could order, track, and view reports from within the PeopleSoft TAM interface.

On April 7, 2020, the Board approved NEOGOV to replace PeopleSoft TAM 9.0 as the County's new Recruitment and Onboarding platform (Agenda Item #3.72). On December 1, 2021 RFP #HRARC-088 was released soliciting bids from online background report service providers with integration with NEOGOV. The notification was sent to four vendors and advertised publicly on the Purchasing website RivcoPRO portal. Five responses to the solicitation were received. On March 16, 2022 pre-award demonstrations were provided by the top two bidders. On March 22, 2022 a demonstration was provided by NEOGOV and the top bidder. On March 23, 2022 a Request for Clarification was issued to the top bidder to clarify their pricing.


The Purchasing and Human Resources Departments find AssureHire to be the highest scoring most responsive bidder, and considering AssureHire is already integrated with NEOGOV and other bidders would have charged a minimum \$200 integration fee, AssureHire is also the lowest cost provider, and for these reasons approval of the attached Agreement is being requested.

Review/Approval

RCIT and TSOC approved the use of this software on June 2, 2022 H-11 Review Process No. PR2022-11795, and County Counsel approved the agreement as to legal form.

ATTACHMENT: HRARC-088 Agreement AssureHire

SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA



Suzanna Heckley, Assistant Director of Purchasing and Fleet Service

7/18/2022



Jim Smith, Chief Information Officer

7/19/2022

SERVICE AGREEMENT
for
ONLINE BACKGROUND REPORT SERVICES
between
COUNTY OF RIVERSIDE
and
ASSUREHIRE



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This Service Agreement is made and entered into this ____ day of _____ 2022 by and between **AssureHire, a California corporation**, (herein referred to as "CONTRACTOR"), and the COUNTY OF RIVERSIDE, a political subdivision of the State of California, (herein referred to as "COUNTY"). COUNTY and CONTRACTOR are collectively referred to herein as the "Parties", and individually as the "Party". The Parties agree as follows:

1. Description of Services

1.1 CONTRACTOR shall provide all services as outlined and specified in Exhibit A, Scope of Work, at the prices stated in Exhibit B, Payment Provisions, in accordance with Attachment I, HIPAA Business Associate Agreement.

1.2 COUNTY agrees to those conditions in **Exhibit C, AssureHire End User Agreement**, that do not conflict with the terms of this Agreement. In the event of any conflict between the conditions in Exhibit C and the terms of this Agreement, the terms of this Agreement shall govern and control, **to the extent permitted by all applicable laws, rules and regulations (including without limitation those of the Fair Credit Reporting Act (FCRA) and California Consumer Credit Reporting Agencies Act (CCRAA), and any reasonable rules or guidelines that CONTRACTOR has established to conduct business as a Consumer Reporting Agency.**

1.3 CONTRACTOR represents that it has the skills, experience, and knowledge necessary to perform under this Agreement and the COUNTY relies upon this representation. CONTRACTOR shall perform to the satisfaction of the COUNTY and in conformance to and consistent with the highest standards of firms/professionals in the same discipline in the State of California.

1.4 CONTRACTOR affirms that it is fully apprised of all of the work to be performed under this Agreement; and the CONTRACTOR agrees it can properly perform this work at the prices stated in Exhibit B. CONTRACTOR is not to perform services or provide products outside of the Agreement.

1.5 Acceptance by the COUNTY of the CONTRACTOR's performance under this Agreement does not operate as a release of CONTRACTOR's responsibility for full compliance with the terms of this Agreement.

2. Period of Performance

2.1 This Agreement shall be effective upon signature of this Agreement by both Parties and continues in effect through **June 30, 2027 with one five (5) year renewal option through June 30, 2032**, unless terminated earlier. The County also reserves the right to exercise an option to temporarily extend the Agreement term for up to one hundred eighty (180) calendar days, for any reason.

2.2 CONTRACTOR shall commence performance upon signature of this Agreement by both Parties and shall diligently and continuously perform thereafter. The Riverside County Board of Supervisors is the only authority that may obligate the County for a non-cancelable multi-year agreement.

3. Compensation

3.1 The COUNTY shall pay the CONTRACTOR for services performed, products provided and expenses incurred in accordance with the terms of Exhibit B, Payment Provisions. Maximum payments by COUNTY to CONTRACTOR shall not exceed **\$200,000** annually (**per fiscal year July 1 through June 30**) including all expenses. The COUNTY is not responsible for any **unauthorized** fees or costs incurred above or beyond the contracted amount and shall have no obligation to purchase any specified amount of services or products. **Orders for background checks placed by COUNTY personnel are considered authorized services.** Unless otherwise specifically stated in Exhibit B, COUNTY shall not be responsible for payment of any of CONTRACTOR's expenses related to this Agreement.

3.2 No price increases will be permitted during the first year of this Agreement, **excluding access fees as defined in Exhibit C, which CONTRACTOR has no control over.** All price decreases (for example, if CONTRACTOR offers lower prices to another governmental entity) will automatically be extended to the COUNTY. The COUNTY requires written proof satisfactory to COUNTY of cost increases prior to any approved price adjustment. After the first year of the award, a minimum of 30-days advance notice in writing is required to be considered and approved by COUNTY. No retroactive price adjustments will be considered. Any price increases must be stated in a written amendment to this Agreement. The net dollar amount of profit will remain firm during the period of the Agreement. Annual increases shall not exceed the **percentage change in Consumer Price Index- All Consumers, All Items - Riverside-San Bernardino-Ontario, CA for the immediately preceding twelve (12) month period January through January** and be subject to satisfactory performance review by the COUNTY and approved (if needed) for budget funding by the Board of Supervisors.

3.3 CONTRACTOR shall be paid only in accordance with an invoice submitted to COUNTY by CONTRACTOR within fifteen (15) days from the last day of each calendar month, and COUNTY shall pay the invoice **within thirty-five (35) calendar** days from the date of receipt of the invoice. Payment shall be made to CONTRACTOR only after services have been rendered or delivery of materials or products, and acceptance has been made by COUNTY (with such acceptance not to be unreasonably withheld or delayed). For this Agreement, send original invoices to:

**Riverside County Human Resources
4080 Lemon Street 7th Floor
Riverside, CA 92501
HRFinance@rivco.org**

- a) Each invoice shall contain a minimum of the following information: invoice number and date; remittance address; bill-to and ship-to addresses of ordering department/division; Agreement number (**HRARC-96130-002-06/27**); quantities; item descriptions, unit prices, extensions, sales/use tax if applicable, and an invoice total.
- b) Invoices shall be rendered monthly in arrears, unless otherwise stated in Exhibit B.

3.4 The COUNTY obligation for payment of this Agreement beyond the current fiscal year end is contingent upon and limited by the availability of COUNTY funding from which payment can be made. In the State of California, Government agencies are not allowed to pay excess interest and late charges, per Government Code, section 926.10. No legal liability on the part of the COUNTY shall arise for payment beyond June 30 of each calendar year unless funds are made available for such payment. In the event that such funds are not forthcoming for any reason, COUNTY shall immediately notify CONTRACTOR in writing; and this Agreement shall be deemed terminated, have no further force, and effect.

4. Alteration or Changes to the Agreement

4.1 The Board of Supervisors and the COUNTY Purchasing Agent and/or his or her designee is the only authorized COUNTY representatives who may at any time, by written order, alter this Agreement.

4.2 Any claim by the CONTRACTOR for additional payment related to this Agreement shall be made in writing by the CONTRACTOR within 30 days of when the CONTRACTOR has or should have notice of any actual or claimed change in the work, which results in additional and unanticipated cost to the CONTRACTOR. If the COUNTY Purchasing Agent decides that the facts provide sufficient justification, the COUNTY Purchasing Agent may authorize additional payment to the CONTRACTOR pursuant to the claim. Nothing in this section shall excuse the CONTRACTOR from proceeding with performance of this Agreement even if there has been a change.

5. Termination

5.1. COUNTY may terminate this Agreement without cause upon thirty (30) days written notice served upon the CONTRACTOR stating the extent and effective date of termination.

5.2 CONTRACTOR may, after the first year of this Agreement and upon ninety (90) days written notice to the COUNTY terminate this Agreement due to documented additional and unanticipated cost to the CONTRACTOR if COUNTY Purchasing Agent and CONTRACTOR are unable to agree upon an equitable adjustment.

5.3 COUNTY may, upon five (5) days written notice terminate this Agreement for CONTRACTOR's default, if CONTRACTOR refuses or fails to comply with the terms of this Agreement or fails to make progress that may endanger performance and does not immediately cure such failure within

fifteen (15) business days after receipt of such notice. In the event of such termination, the COUNTY may proceed with the work in any manner deemed proper by COUNTY.

5.4 After receipt of the notice of termination, CONTRACTOR shall:

- (a) Continue with the work in good faith until the date specified in the notice of termination and then stop all work under the Agreement; and
- (b) Transfer to COUNTY and deliver in the manner as directed by COUNTY any materials, reports, or other products which, if the Agreement had been completed or continued, would have been required to be furnished to COUNTY.

5.5 If notice of termination includes a transition close-out period, CONTRACTOR shall:

- (a) Continue delivering services in all geographic areas currently served in Riverside County until notified otherwise; and
- (b) Assist the County in the orderly transition and transfer of all collaborations and committees to the County and subsequent Contractor(s); and
- (c) Provide, in a timely manner, all files and information deemed necessary by the County for use in subsequent contracting activities without additional cost to the County or the new Contractor(s); and
- (d) Cooperate with the County during a transition close-out period to ensure orderly and seamless delivery of services.

5.6 After termination, COUNTY shall make payment only for CONTRACTOR's performance up to the date of termination in accordance with this Agreement.

5.7 CONTRACTOR's rights under this Agreement shall terminate (except for fees accrued prior to the date of termination) upon dishonesty or a willful or material breach of this Agreement by CONTRACTOR; or in the event of CONTRACTOR's unwillingness or inability for any reason whatsoever to perform the terms of this Agreement. In such event, CONTRACTOR shall not be entitled to any further compensation under this Agreement.

5.8 If the Agreement is federally or State funded, CONTRACTOR cannot be debarred from the System for Award Management (SAM). CONTRACTOR must notify the COUNTY immediately of a debarment. Reference: System for Award Management (SAM) at <https://www.sam.gov> for Central Contractor Registry (CCR), Federal Agency Registration (FedReg), Online Representations and Certifications Application (ORCA), and Excluded Parties List System (EPLS) (<http://www.epls.gov>) (Executive Order 12549, 7 CFR Part 3017, 45 CFR Part 76, and 44 CFR Part 17). The System for Award Management (SAM) is the Official U.S. Government system that consolidated the capabilities of CCR/FedReg, ORCA, and EPLS.

5.9 The rights and remedies of COUNTY provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or this Agreement.

6. Ownership/Use of Contract Deliverables

The CONTRACTOR agrees that all items tangible or intangible produced by CONTRACTOR for which CONTRACTOR has been compensated by COUNTY pursuant to this Agreement and in performance of the services specified in Exhibit A ("Deliverables") shall be the sole property of the COUNTY. The Deliverables exclude pre-existing CONTRACTOR intellectual property. The Deliverables may be used by the COUNTY for any purpose that the COUNTY deems to be appropriate, including, but not limit to, duplication and/or distribution within the COUNTY or to third parties. CONTRACTOR agrees not to release or circulate in whole or part such Deliverables without prior written authorization of the COUNTY.

7. Conduct of Contractor

7.1 The CONTRACTOR covenants that it presently has no interest (i.e. benefit or advantage), including, but not limited to, other projects or contracts, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with CONTRACTOR's performance under this Agreement. The CONTRACTOR further covenants that no person or subcontractor having any such interest shall be employed or retained by CONTRACTOR under this Agreement. The CONTRACTOR agrees to inform the COUNTY of all the CONTRACTOR's interests, if any, which are or may be perceived as incompatible with the COUNTY's interests.

7.2 The CONTRACTOR shall not, under circumstances which could be interpreted as an attempt to influence the recipient in the conduct of his/her duties, accept any gratuity or special favor from individuals or firms with whom the CONTRACTOR is doing business or proposing to do business, in accomplishing the work under this Agreement.

7.3 The CONTRACTOR or its employees shall not offer gifts, gratuity, favors, and entertainment directly or indirectly to COUNTY employees.

8. Inspection of Service; Quality Control/Assurance

8.1 All performance (which includes services, workmanship, materials, supplies and equipment furnished or utilized in the performance of this Agreement) shall be subject to inspection and test by the COUNTY or other regulatory agencies at all times. The CONTRACTOR shall provide adequate cooperation to any inspector or other COUNTY representative to permit him/her to determine the CONTRACTOR's conformity with the terms of this Agreement. If any services performed or products provided by CONTRACTOR are not materially in conformance with the terms of this Agreement, the COUNTY shall have the right to require the CONTRACTOR to perform the services or provide the products in conformance with the terms of the Agreement at no additional cost to the COUNTY. When the services to be performed or

the products to be provided are of such nature that the difference cannot be corrected, the COUNTY shall have the right to: (1) require the CONTRACTOR immediately to take all necessary steps to ensure future performance in conformity with the terms of the Agreement; and/or (2) reduce the Agreement price to reflect the reduced value of the services performed or products provided. If CONTRACTOR fails to promptly remedy a material defect or to take the necessary action to ensure future performance in conformity with the terms of the Agreement, the COUNTY may terminate this Agreement for default and charge to CONTRACTOR costs incurred by the COUNTY because of the CONTRACTOR's failure to perform.

8.2 CONTRACTOR shall establish adequate procedures for self-monitoring and quality control and assurance to ensure proper performance under this Agreement; and shall permit a COUNTY representative or other regulatory official to monitor, assess, or evaluate CONTRACTOR's performance under this Agreement at any time, upon reasonable notice to the CONTRACTOR.

9. Independent Contractor/Employment Eligibility

9.1 The CONTRACTOR is, for purposes relating to this Agreement, an independent contractor and shall not be deemed an employee of the COUNTY. It is expressly understood and agreed that the CONTRACTOR (including its employees, agents, and subcontractors) shall in no event be entitled to any benefits to which COUNTY employees are entitled, including but not limited to overtime, any retirement benefits, worker's compensation benefits, and injury leave or other leave benefits. There shall be no employer-employee relationship between the Parties; and CONTRACTOR shall hold COUNTY harmless from any and all claims that may be made against COUNTY based upon any contention by a third-party that an employer-employee relationship exists by reason of this Agreement. It is further understood and agreed by the Parties that CONTRACTOR in the performance of this Agreement is subject to the control or direction of COUNTY merely as to the results to be accomplished and not as to the means and methods for accomplishing the results.

9.2 CONTRACTOR warrants that it shall make its best effort to fully comply with all federal and state statutes and regulations regarding the employment of aliens and others and to ensure that employees performing work under this Agreement meet the citizenship or alien status requirement set forth in federal statutes and regulations. CONTRACTOR shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by federal or state statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, 8 U.S.C. §1324 et seq., as they currently exist and as they may be hereafter amended. CONTRACTOR shall retain all such documentation for all Covered Individuals, for the period prescribed by the law. "Covered Individuals" are CONTRACTOR's employees performing work under this Agreement.

9.3 Ineligible Person shall be any individual or entity who: Is currently excluded, suspended, debarred or otherwise ineligible to participate in the federal health care programs; or has been convicted of a

criminal offense related to the provision of health care items or services and has not been reinstated in the federal health care programs after a period of exclusion, suspension, debarment, or ineligibility.

9.4 CONTRACTOR shall screen prospective Covered Individuals prior to hire or engagement. CONTRACTOR shall not hire or engage any Ineligible Person to provide services directly relative to this Agreement. CONTRACTOR shall screen all current Covered Individuals within sixty (60) days of execution of this Agreement to ensure that they have not become Ineligible Persons unless CONTRACTOR has performed such screening on same Covered Individuals under a separate agreement with COUNTY within the past six (6) months. Covered Individuals shall be required to disclose to CONTRACTOR immediately any debarment, exclusion or other event that makes the Covered Individual an Ineligible Person. CONTRACTOR shall notify COUNTY within five (5) business days after it becomes aware if a Covered Individual providing services directly relative to this Agreement becomes debarred, excluded or otherwise becomes an Ineligible Person.

9.5 CONTRACTOR acknowledges that Ineligible Persons are precluded from providing federal and state funded health care services by contract with COUNTY in the event that they are currently sanctioned or excluded by a federal or state law enforcement regulatory or licensing agency. If CONTRACTOR becomes aware that a Covered Individual has become an Ineligible Person, CONTRACTOR shall remove such individual from responsibility for, or involvement with, COUNTY business operations related to this Agreement.

9.6 CONTRACTOR shall notify COUNTY within five (5) business days if a Covered Individual or entity is currently excluded, suspended or debarred, or is identified as such after being sanction screened. Such individual or entity shall be promptly removed from participating in any activity associated with this Agreement.

10. Subcontract for Work or Services

Intentionally Deleted.

11. Disputes

11.1 The Parties shall attempt to resolve any disputes amicably at the working level. If that is not successful, the dispute shall be referred to the senior management of the Parties. Any dispute relating to this Agreement, which is not resolved by the Parties, shall be decided by the COUNTY's Purchasing Department's Compliance Contract Officer who shall furnish the decision in writing. The decision of the COUNTY's Compliance Contract Officer shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary, or so grossly erroneous to imply bad faith. The CONTRACTOR shall proceed diligently with the performance of this Agreement pending the resolution of a dispute.

11.2 Prior to the filing of any legal action related to this Agreement, the Parties shall be obligated to attend a mediation session in Riverside County before a neutral third-party mediator. A second mediation session shall be required if the first session is not successful. The Parties shall equally share the cost of the mediations.

12. Licensing and Permits

CONTRACTOR shall comply with all State or other licensing requirements, including but not limited to Penal Code section 11102.1, and any applicable provisions of the Business and Professions Code. All licensing requirements shall be met at the time proposals are submitted to the COUNTY. CONTRACTOR warrants that it has all necessary permits, approvals, certificates, waivers and exemptions necessary for performance of this Agreement as required by the laws and regulations of the United States, the State of California, the County of Riverside and all other governmental agencies with jurisdiction, and shall maintain these throughout the term of this Agreement.

13. Use by Other Political Entities

The CONTRACTOR agrees to extend the same pricing, terms, and conditions as stated in this Agreement to each and every political entity, special district, and related non-profit. It is understood that other entities shall make purchases in their own name, make direct payment, and be liable directly to the CONTRACTOR; and COUNTY shall in no way be responsible to CONTRACTOR for other entities' purchases.

14. Non-Discrimination

CONTRACTOR shall not discriminate in the provision of services, allocation of benefits, accommodation in facilities, or employment of personnel on the basis of ethnic group identification, race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status or sex in the performance of this Agreement; and, to the extent they shall be found to be applicable hereto, shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code 12900 et. seq), the Federal Civil Rights Act of 1964 (P.L. 88-352), the Americans with Disabilities Act of 1990 (42 U.S.C. §1210 et seq.) and all other applicable laws or regulations.

15. Records and Documents

CONTRACTOR shall make available, upon written request by COUNTY, a copy of this Agreement and such books, documents and records as are necessary to certify the nature and extent of the CONTRACTOR's costs related to this Agreement. All such books, documents and records shall be maintained by CONTRACTOR for at least five years following termination of this Agreement and be available in the event COUNTY is subject to an audit due to its source of funds. CONTRACTOR shall

provide to the COUNTY, or any duly authorized Federal or State agency, reports and information related to this Agreement as requested by COUNTY.

16. Confidentiality

16.1 The CONTRACTOR shall not use for personal gain or make other improper use of privileged or confidential information which is acquired in connection with this Agreement. The term "privileged or confidential information" includes but is not limited to: unpublished or sensitive technological or scientific information; medical, personnel, or security records; anticipated material requirements or pricing/purchasing actions; COUNTY information or data which is not subject to public disclosure; COUNTY operational procedures; and knowledge of selection of contractors, subcontractors or suppliers in advance of official announcement.

16.2 The CONTRACTOR shall protect from unauthorized disclosure names and other identifying information concerning persons receiving services pursuant to this Agreement, except for general statistical information not identifying any person. The CONTRACTOR shall not use such information for any purpose other than carrying out the CONTRACTOR's obligations under this Agreement. The CONTRACTOR shall promptly transmit to the COUNTY all third-party requests for disclosure of such information. The CONTRACTOR shall not disclose, except as otherwise specifically permitted by this Agreement or authorized in advance in writing by the COUNTY, any such information to anyone other than the COUNTY. For purposes of this paragraph, identity shall include, but not be limited to, name, identifying number, symbol, or other identifying particulars assigned to the individual, such as finger or voice print or a photograph.

16.3 The CONTRACTOR is subject to and shall operate in compliance with all relevant requirements contained in the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-191, enacted August 21, 1996, and the related laws and regulations promulgated subsequent thereto. Please refer to Attachment I of this Agreement.

17. Administration/Contract Liaison

The COUNTY Purchasing Agent, or designee, shall administer this Agreement on behalf of the COUNTY. The Purchasing Department is to serve as the liaison with CONTRACTOR in connection with this Agreement.

18. Notices

All correspondence and notices required or contemplated by this Agreement shall be delivered to the respective Parties at the addresses set forth below and are deemed submitted two days after their deposit in the United States mail, postage prepaid:

COUNTY OF RIVERSIDE

Riverside County Human Resources
4080 Lemon Street 7th Floor
Riverside, CA 92501
Attn: HR Finance
Email: HRFinance@rivco.org

CONTRACTOR

AssureHire
2206 Plaza Dr, Ste 100
Rocklin, CA 95765
Attn: Accounting
Email: accounting@assurehire.com

19. Force Majeure

If either Party is unable to comply with any provision of this Agreement due to causes beyond its reasonable control, and which could not have been reasonably anticipated, such as acts of God, acts of war, civil disorders, or other similar acts, such Party shall not be held liable for such failure to comply.

20. EDD Reporting Requirements

In order to comply with child support enforcement requirements of the State of California, the COUNTY may be required to submit a Report of Independent Contractor(s) form **DE 542** to the Employment Development Department. The CONTRACTOR agrees to furnish the required data and certifications to the COUNTY within 10 days of notification of award of Agreement when required by the EDD. This data will be transmitted to governmental agencies charged with the establishment and enforcement of child support orders. Failure of the CONTRACTOR to timely submit the data and/or certificates required may result in the contract being awarded to another contractor. In the event a contract has been issued, failure of the CONTRACTOR to comply with all federal and state reporting requirements for child support enforcement or to comply with all lawfully served Wage and Earnings Assignments Orders and Notices of Assignment shall constitute a material breach of Agreement. If CONTRACTOR has any questions concerning this reporting requirement, please call (916) 657-0529. CONTRACTOR should also contact its local Employment Tax Customer Service Office listed in the telephone directory in the State Government section under "Employment Development Department" or access their Internet site at www.edd.ca.gov.

21. Hold Harmless/Indemnification

21.1 CONTRACTOR shall indemnify and hold harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as Indemnitees) from any liability whatsoever by a third party, based or asserted upon any services of CONTRACTOR, its officers, employees, subcontractors, agents or representatives (individually and collectively hereinafter referred to as Indemnitors) arising out of or in any way relating to performance of this Agreement by Indemnitors, including but not limited to property damage, bodily injury, or death, or any other element of any kind or nature. CONTRACTOR shall defend, at its sole expense, all costs and fees including,

but not limited, to attorney fees, cost of investigation, defense and settlements or awards, the Indemnitees in any claim or action based upon such alleged acts or omissions.

21.2 COUNTY shall defend, indemnify and hold harmless CONTRACTOR and each of its employees, directors, officers, shareholders, members, and managers from and against all claims, judgements, demands, liabilities, damages, losses, suits, investigations, costs and expenses (including reasonable attorney's fees) or causes of action that arise out of or in any manner related to COUNTY's sole improper or negligent use of the services provided by CONTRACTOR in providing the services hereunder, or sole negligence by COUNTY of any representations of this Agreement and only to the proportionate share in which the County is found to have proximately caused such claims or damages.

21.3 With respect to any action or claim subject to indemnification herein by CONTRACTOR, CONTRACTOR shall, at its sole cost, have the right to use counsel of its own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of COUNTY; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes CONTRACTOR's indemnification to Indemnitees as set forth herein. COUNTY shall cooperate in the defense and settlement of any claims, including mitigation efforts.

21.4 CONTRACTOR's obligation hereunder shall be satisfied when CONTRACTOR has provided to COUNTY the appropriate form of dismissal relieving COUNTY from any liability for the action or claim involved.

21.5 The specified insurance limits required in this Agreement shall in no way limit or circumscribe CONTRACTOR'S obligations to indemnify and hold harmless the Indemnitees herein from third party claims.

21.6 In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the CONTRACTOR from indemnifying the Indemnitees to the fullest extent allowed by law.

22. Insurance

22.1 Without limiting or diminishing the CONTRACTOR'S obligation to indemnify or hold the COUNTY harmless, CONTRACTOR shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverages during the term of this Agreement. As respects to the insurance section only, the COUNTY herein refers to the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents, or representatives as Additional Insureds.

A. Workers' Compensation: If the CONTRACTOR has employees as defined by the State of California, the CONTRACTOR shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed

by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of The County of Riverside.

B. Commercial General Liability: Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of CONTRACTOR'S performance of its obligations hereunder. Policy shall name the COUNTY as Additional Insured. Policy's limit of liability shall not be less than \$2,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit.

C. Vehicle Liability: If vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then CONTRACTOR shall maintain liability insurance for all owned, non-owned, or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the COUNTY as Additional Insureds.

D. Cyber Liability: Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to person or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, or employees. Contractor shall procure and maintain for the duration of the contract insurance for claims arising out of their services including, but not limited to loss, damage, theft or other misuse of data, infringement of intellectual property, invasion of privacy and breach of data. Contractor shall procure and maintain for the duration of the contract Cyber Liability Insurance, with limits not less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Contractor in this agreement and shall include, but not limited to, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations. If the Contractor maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the County. Policy shall name the COUNTY as Additional Insureds.

E. General Insurance Provisions - All lines:

1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

2) The CONTRACTOR must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence each such retention shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention unacceptable to the COUNTY, and at the election of the County's Risk Manager, CONTRACTOR'S carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Agreement with the COUNTY, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

3) CONTRACTOR shall cause CONTRACTOR'S insurance carrier(s) to furnish the County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the County Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the County of Riverside prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. If CONTRACTOR'S insurance carrier(s) policy(ies) does(do) not meet the minimum notice requirement found herein, CONTRACTOR shall cause CONTRACTOR'S insurance carrier(s) to furnish a 30 day Notice of Cancellation Endorsement.

4) In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County of Riverside receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverages set forth herein and the insurance required herein is in full force and effect. CONTRACTOR shall not commence operations until the COUNTY has been furnished original Certificate(s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier shall sign the original endorsements for each policy and the Certificate of Insurance.

5) It is understood and agreed to by the Parties hereto that the CONTRACTOR'S insurance shall be construed as primary insurance, and the COUNTY'S insurance and/or deductibles and/or self-insured retentions or self-insured programs shall not be construed as contributory.

6) If, during the term of this Agreement or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work; or, the term of this Agreement, including any extensions thereof, exceeds five (5) years; the COUNTY reserves the right to adjust the types of insurance and the monetary limits of liability required under this Agreement, if in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by the CONTRACTOR has become inadequate.

7) CONTRACTOR shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.

8) The insurance requirements contained in this Agreement may be met with (a) program(s) of self-insurance acceptable to the COUNTY.

9) CONTRACTOR agrees to notify COUNTY of any claim by a third-party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

23. General

23.1 CONTRACTOR shall not delegate or assign any interest in this Agreement, whether by operation of law or otherwise, without the prior written consent of COUNTY. Any attempt to delegate or assign any interest herein shall be deemed void and of no force or effect. Except to an affiliate upon written notice by CONTRACTOR to the COUNTY.

23.2 Any waiver by COUNTY of any breach of any one or more of the terms of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term of this Agreement. Failure on the part of COUNTY to require exact, full, and complete compliance with any terms of this Agreement shall not be construed as in any manner changing the terms or preventing COUNTY from enforcement of the terms of this Agreement.

23.3 In the event the CONTRACTOR receives payment under this Agreement, which is later disallowed by COUNTY for nonconformance with the terms of the Agreement, the CONTRACTOR shall promptly refund the disallowed amount to the COUNTY on request; or at its option the COUNTY may offset the amount disallowed from any payment due to the CONTRACTOR.

23.4 CONTRACTOR shall not provide partial delivery or shipment of services or products unless specifically stated in the Agreement.

23.5 CONTRACTOR shall not provide any services or products subject to any chattel mortgage or under a conditional sales contract or other agreement by which an interest is retained by a third-party. The

CONTRACTOR warrants that it has good title to all materials or products used by CONTRACTOR or provided to COUNTY pursuant to this Agreement, free from all liens, claims, or encumbrances.

23.6 Nothing in this Agreement shall prohibit the COUNTY from acquiring the same type or equivalent equipment, products, materials or services from other sources, when deemed by the COUNTY to be in its best interest. The COUNTY reserves the right to purchase more or less than the quantities specified in this Agreement.

23.7 The COUNTY agrees to cooperate with the CONTRACTOR in the CONTRACTOR's performance under this Agreement, including, if stated in the Agreement, providing the CONTRACTOR with reasonable facilities and timely access to COUNTY data, information, and personnel.

23.8 CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations. CONTRACTOR will comply with all applicable COUNTY policies and procedures. In the event that there is a conflict between the various laws or regulations that may apply, the CONTRACTOR shall comply with the more restrictive law or regulation.

23.9 CONTRACTOR shall comply with all air pollution control, water pollution, safety and health ordinances, statutes, or regulations, which apply to performance under this Agreement.

23.10 CONTRACTOR shall comply with all requirements of the Occupational Safety and Health Administration (OSHA) standards and codes as set forth by the U.S. Department of Labor and the State of California (Cal/OSHA).

23.11 This Agreement shall be governed by the laws of the State of California. Any legal action related to the performance or interpretation of this Agreement shall be filed only in the Superior Court of the State of California located in Riverside, California, and the Parties waive any provision of law providing for a change of venue to another location. In the event any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

23.12 This Agreement, including any attachments or exhibits, constitutes the entire Agreement of the Parties with respect to its subject matter and supersedes all prior and contemporaneous representations, proposals, discussions and communications, whether oral or in writing. This Agreement may be changed or modified only by a written amendment signed by authorized representatives of both Parties.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Agreement.

COUNTY OF RIVERSIDE, a political subdivision of the State of California

By: Jeff Hewitt

Jeff Hewitt, Chair
Board of Supervisors

Dated: AUG 02 2022

ATTEST:

Kecia R. Harper
Clerk of the Board

By: Michelle Dasso

Deputy

APPROVED AS TO FORM:

County Counsel

By: Synthia M. Gunzel

Synthia M. Gunzel,
Chief Deputy County Counsel

ASSUREHIRE, a California corporation

By: Troy Kruthoff

Troy Kruthoff,
Chief Executive Officer

Dated: Jul 7, 2022

CORPORATE SIGNERS: Pursuant to California Corporations Code Section 313, please provide signature of chairperson of the board, president, or any vice president, and the secretary, any assistant secretary, the chief financial officer, or any assistant treasurer. If providing only one signature, please also provide a resolution or other proof of delegated authority that shows signer can legally bind the corporation.

USE OF ELECTRONIC SIGNATURES: This Agreement may be executed in any number of counterparts, each of which will be an original, but all of which together will constitute one instrument. Each Party of this Agreement agrees to the use of electronic or digital signatures that meet the requirements of the California Uniform Electronic Transactions Act ("the Act") Cal. Civ. Code §§ 1633.1-1633.17), for executing this Agreement. The Parties further agree that the electronic or digital signatures of the Parties included in this Agreement are intended to authenticate this writing and to have the same force and effect as manual signatures. The Act authorizes use of an electronic signature for transactions and contracts among Parties in California, including governmental agencies. For purposes of this section, a digital signature is a type of "electronic signature" as defined in subdivision (i) of Section 1633.2 of the Civil Code.

EXHIBIT A
SCOPE OF WORK

1.0 GENERAL REQUIREMENTS

- 1.1 Reports will be ordered as needed by County.
- 1.2 CONTRACTOR must provide online access via a secure website for the County to request, monitor the status of, and view background reports with a single sign-on based on NeoGov user credentials and the ability to select multiple candidates and request reports in bulk.
- 1.3 CONTRACTOR must provide services at least Monday through Friday 8:00am to 5:00pm.
- 1.4 All services must include integration with NeoGov without the need for downloading, importing, or attaching reports from an outside source.

2.0 REQUIRED BACKGROUND REPORTS

- 2.1 CONTRACTOR must include the following reports (or reports containing the equivalent information) as needed for Human Resources:

2.1.1 It is understood by the Parties the typical expected turnaround times listed below are contingent upon the source jurisdiction delivering the information.

- a. Criminal History Report: Using court records both locally and nationally, this report reveals felony and misdemeanor convictions, and cases pending adjudication. Data typically includes full name, date of birth, jurisdiction, criminal charge, conviction date, and sentence. **The typical expected turnaround time for this report is 48 hours.**
- b. Sex Offender Register Search: This is a search of state sex offender registry databases. A report typically includes full name of the offender, classification of the offense, and last known address. Data may also include birth date, personal description, known aliases and offenses, scars or other markings of registered sex offenders. **The typical expected turnaround time for this report is instantaneous.**
- c. Education Verification: Confirm types of degrees, diplomas, certificates, licenses and dates attended **both international and domestic, not including transcripts. The typical expected turnaround time for this report is 1-3 business days. However, education verifications may take up to six (6) business days. The first three days of attempts are directed to the institution. If an automated system is used—three days will be allotted for a response. If no response from the institution is received, three days of attempts will be allotted for the candidate and proof in the form of a diploma will be requested. CONTRACTOR will not charge extra for reaching out to the candidates directly. If verification is not completed by the deadline, the verification will be closed with the understanding that if any additional information is received from the school or the candidate, the search will be updated. Automated services used by institutions to provide easy access to their records come with an additional fee. All access fees will be passed on to County without markup.**
- d. Employment Verification: Verify dates of employment, position, reason for separation, and eligibility for rehire of the applicant for the entire duration of their employment history **or at least five years not including periods of self- or un- employment. The typical expected turnaround time for this report is 1-3 business days. However, employment verifications may take up to six (6) business days. The first three days of attempts are directed to the given company. If information is not received from the company, three days of attempts will be directed to the candidate requesting proof in the form of W2s or Pay-stubs. CONTRACTOR will not charge extra for reaching out to the candidates directly. Verifications that go past this time frame**

will be closed with the understanding that if any additional information is received from the company or the candidate, the search will be updated. Automated services used by businesses to provide easy access to their records come with an additional fee. All access fees will be passed on to County without markup. The Work Number fees are accrued **ONCE** per individual, not per employer. From time to time, because of how the data is stored on The Work Number, additional fees may apply.

- e. Motor Vehicle Report: A Motor Vehicle report **highlighting an individual's driving history over the past three to seven years (varies by state)** is available on a nationwide basis. The driving records are used to indicate arrests and convictions for driving while intoxicated, or a history of reckless or irresponsible behavior, to uncover applicants with substance abuse and/or other behavior problems. **The typical expected turnaround time for this report is 24-48 hours.**
- f. Professional License or Credentials Verification: Verifies applicant's licenses are current and in good standing. These licenses include any type of License or Credential issued by a State Licensing Board including but not limited to **medical doctors (MD or DO), registered nurses (RN), licensed practical nurse (LPN), certified public accountant (CPA), lawyers, teachers, engineers, and pilots.** For credentialing purposes this report ensures personnel are qualified to hold certain positions that require specific professional credentials. **The typical expected turnaround time for this report is 24-48 hours.**
- g. Reference Check: This report reveals personal or professional references of character, general reputation, or mode of living which is used or expected to be used or collected in whole or in part for the purpose of serving as a factor in establishing the applicant's eligibility. **A professional reference is typically a former employer, a colleague, a client, a vendor, or a supervisor that can provide information regarding the work ethic and performance of the given applicant. A personal reference is typically an acquaintance, friend, or former co-worker that can provide information regarding the moral behavior, personality, and character of the given applicant. The typical expected turnaround time for this report is 1-3 business days. Contractor shall inquire about work quality, ability to work in teams, manners, time management, ability to perform a project, responsibility and dependability. A sample of questions to be asked are: Confirm your name. How long have you known [Applicant]? What is the nature of your relationship? Have you ever worked with [Applicant] before? If so, did [Applicant] follow through with his/her portion of the responsibilities? How would you rate the quality of his/her work? In your experience, would you consider [him/her] reliable? In your experience, would you consider [him/her] patient? How would you best describe [Applicant]? What are [his/her] strengths? Are there any areas you think [s/he] could work to improve?**
- h. Credit Report: This report lists credit history and public records such as judgments, liens and bankruptcies. May include previous employers, addresses and alias. **The typical expected turnaround time for this report is 48 hours.**
- i. Social Security Trace: A Social Security Number Trace is a verification provided by the Social Security Administration (SSA) Verification System (CBSV) that uses the number provided by the Employee Applicant to confirm the applicant's identity, a relationship existing between applicant and Social Security Number, and the applicant's address history as documented by the Credit Bureau. **The typical expected turnaround time for this report is 24 hours.**

3.0 LEGAL COMPLIANCE WITH FCRA AND ICRAA

- 3.1** All services must be provided in a manner that is legally compliant with the Fair Credit Reporting Act (FCRA) and the California Investigative Consumer Reporting Agencies Act (ICRAA), in addition to all other applicable laws and regulations. Additionally, the County is interested in considering proposals for services that assist the County in meeting its legal responsibilities under FCRA and ICRAA. For example, the Bidder's services may include generating or sending FCRA Adverse Action Notices and Pre-Adverse Action Notices, or sending to applicants a FCRA consumer copy of their report.

EXHIBIT B
PAYMENT PROVISIONS

1.1 CONTRACTOR certifies it has carefully examined and understands the full scope and all requirements, specifications, and conditions stated in this Agreement, the Request for Proposal #HRARC-088 and all related exhibits, and the fees are inclusive of all costs, including administration and travel expenses associated with the delivery of services.

1.2 Payments will be based strictly on these agreed upon payment provisions, and expenses not included in the fees below or mentioned elsewhere in this agreement will not be reimbursed.

1.3 County will pay the following fees for each report as part of these Online Background Report Services:

Service Options	Price
SSN Trace Tool	\$0 Included
County Criminal Search* for 1 County 7-year Criminal Search	\$7.00
7 Year County Criminal Search* - includes ALL Counties from a 7 year search	\$20.00
National Criminal Search: Multi-State Multi- Juris Criminal Database Locator Includes OFAC and many other government watchlists	\$3.65
National Sex Offender Registry	\$1.45
Education Verification* - Highest Awarded	\$8.50
Employment Verification* - Per Employer	\$8.50
Personal Reference Verification	\$8.50
Professional License Verification*	\$8.50
Motor Vehicle Record Search* + State Access Fee	\$3.75
Employee Credit Report - requires an onsite inspection by TransUnion Credit for \$65.	\$5.90
Social Media Search	\$18.00
Candidate's Copy of Complete Background Check Report	\$0 Included
Automated Pre-Adverse & Adverse Action	\$0 Included
International Education Verification* - Highest Awarded	\$10.00
International Employment Verification* - Per Employer	\$10.00

* Asterisk indicates there may be a Domestic Court, DMV, or third-party record keeper access fee. Access Fees are at additional cost but are passed through to the County without markup.

1.4 Access Fees: If the original source is a state criminal record repository, county courthouse, or Department of Motor Vehicles, Contractor is often charged a supplemental fee to gain access. Access fees when or if applicable will be passed on to County without markup. Possible Access Fees include County Criminal Courts, Statewide Criminal Search, MVR Driver License Records, and automated employment verification and education verifications.

EXHIBIT C
ASSUREHIRE END USER AGREEMENT

AssureHire, Inc. ("AssureHire") and the customer named below ("Customer") agree that AssureHire shall make available to Customer employment screening and/or background checking services ("Services") subject to the following terms.

Customer: County of Riverside

1. Services

- 1.1. AssureHire shall make available to Customer certain public and non-public information and database access (herein collectively referred to as a "Consumer Report") in accordance with requests for such information at prices set forth on Attachment A. If the Consumer Report requested by Customer is a credit report, then Customer shall be subject to and shall comply with the additional requirements as set forth on an Addendum to this Agreement.
- 1.2. AssureHire represents that it is experienced and well qualified and a specialist in the provision and security of Consumer Reports. AssureHire will use commercially reasonable efforts to make available Consumer Reports requested by Customer.
- 1.3. Piggyback Clause. It is understood and agreed by Customer and AssureHire that any governmental entity ("Government Entity") may purchase the services specified herein in accordance with the prices, terms, and conditions of this agreement. It is also understood and agreed that each Government Entity will establish its own contract with AssureHire, be invoiced therefrom and make its own payments to AssureHire in accordance with the terms of the contract established between the Government Entity and AssureHire. It is also hereby mutually understood and agreed that Customer is not a legally bound party to any contractual agreement made between AssureHire and any other Government Entity other than Customer.

2. Invoicing and Payment

- 2.1. AssureHire will invoice Customer and payment shall be due within thirty (30) days of the date of invoice. A late payment charge of the lesser of 1% per month or the highest lawful rate may be applied to any outstanding balances until paid.
- 2.2. AssureHire reserves the right to revise its pricing for Services upon thirty (30) days written notice. Notwithstanding the foregoing, in the event state or local government fees payable by AssureHire in connection with the provision of Services increase during the Term, AssureHire may pass along such price increases to Customer upon notice.
- 2.3. Customer will pay any applicable taxes relating to this Agreement, other than taxes based on AssureHire income and franchise-related taxes.

3. Restrictions on Use

- 3.1. Customer will obtain and use any Consumer Report or Investigative Consumer Report, as those terms are defined in the Fair Credit Reporting Act ("FCRA"), solely for the permissible purpose(s) stated by Customer and in accordance with the End User Certification signed by the Customer. Customer will not provide any part of the Services to others, whether directly or indirectly, through incorporation in a database, report or otherwise.
- 3.2. Customer will use the Services only in compliance with all applicable local, state, federal and international laws, rules, regulations or requirements, including, but not limited to the FCRA and the Fair and Accurate Credit Transactions Act ("FACTA") and applicable state and local laws and regulations.

4. Confidentiality

- 4.1. Customer shall not disclose any background screening reports provided by AssureHire hereunder except as

permitted by this Agreement or required by law, provided that Customer is not prohibited from disclosing such report to the subject of such report.

- 4.2. AssureHire will disclose to Customer the discovery that personal information owned by the subject of a report was, or is reasonably believed to have been, acquired by an unauthorized person ("Data Breach"), in accordance with applicable law to disclose the Data Breach to the subject of the report.
- 4.3. Each party ("Recipient") will treat all information provided by the other party ("Discloser") that Discloser designates in writing to be confidential, or the nature of the information and the manner of disclosure are such that a reasonable person would understand it to be confidential, in the same manner as Recipient treats its own confidential information. Discloser represents and warrants that it has all necessary legal rights, title, consents and authority to disclose such confidential information to Recipient. Confidential information shall not include information that
 - (I) is or becomes a part of the public domain through no act or omission of Recipient;
 - (II) was in Recipient's lawful possession prior to Discloser's disclosure to Recipient;
 - (III) is lawfully disclosed to Recipient by a third-party with the right to disclose such information and without restriction on such disclosure; or
 - (IV) is independently developed by Recipient without use of or reference to the confidential information.Customer shall not disclose the negotiated pricing or terms of this Agreement to any third party, except as required by law.

5. Disclaimers

- 5.1. Customer acknowledges that the depth of information collected by AssureHire varies among sources and AssureHire cannot act as an insurer or guarantor of the accuracy, reliability or completeness of the data. Customer shall be responsible for determining that its use of the Services complies with all applicable federal, state or local law, rule or regulation, including but not limited to FCRA and FACTA.
- 5.2. EXCEPT AS EXPLICITLY SET FORTH IN THIS AGREEMENT, ALL SERVICES ARE PROVIDED ON AN "AS IS," "AS AVAILABLE" BASIS. OTHER THAN AS EXPLICITLY STATED IN THIS AGREEMENT, (A) ASSUREHIRE DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND (B) ASSUREHIRE DOES NOT WARRANT THAT THE SERVICES WILL BE UNINTERRUPTED OR ERROR-FREE AND DISCLAIMS ANY WARRANTY OR REPRESENTATION REGARDING AVAILABILITY OF A SERVICE, SERVICE LEVELS OR PERFORMANCE.
- 5.3. AssureHire does not, and cannot, provide legal advice to Customer or guarantee Customer's compliance with laws in use of the Service. Customer understands that any documents, information, conversations or communication with AssureHire's representatives regarding reports, verifications or other services offered by AssureHire are not to be considered a legal opinion regarding such use. Customer agrees to consult with its own legal counsel (1) about the use of an Adjudication Criteria and background screening information, including but not limited to, the legality of using or relying on reported information, and (2) to review any forms as well as the content of prescribed notices, adverse or pre-adverse action letters and any attachments to this Agreement for compliance with all Laws. Customer agrees that the provision of such notices, pre-adverse or adverse action letters and the contents thereof is Customer's sole responsibility.

6. Indemnification

- 6.1. Intentionally Deleted

7. Limitation of Liability

- 7.1. Intentionally Deleted
- 7.2. Intentionally Deleted
- 7.3. Intentionally Deleted

8. Term and Termination

- 8.1. Intentionally Deleted
- 8.2. AssureHire may immediately suspend Services, in whole or in part, under this Agreement (i) upon Customer's failure to pay amounts when due, (ii) if Customer files bankruptcy or reorganization or fails to discharge an involuntary petition within sixty (60) days after filing date, or (iii) if AssureHire reasonably believes that its provision, or Customer's use of the Services shall violate the FCRA or other applicable law. In the event of a material breach of this Agreement by Customer or AssureHire, the non-breaching party may terminate this Agreement if such breach is not cured within forty-five (45) days of written notice of breach; provided that if such breach is not capable of being cured the non-breaching party may terminate this Agreement upon written notice.
- 8.3. The provisions set forth in Sections 4, 5, 6, 7, 8.2, 9 and 10 will survive the termination of this Agreement.
- 8.4. If applicable, AssureHire shall make available to Customer the limited terms listed on Attachment B (Pilot Addendum) hereto as the terms and services set forth on such Attachment.

9. Choice of Law; Disputes

- 9.1. Intentionally Deleted

10. Miscellaneous

- 10.1. This Agreement, addenda, exhibits and/or schedules (including the End User Certification and Credentialing Application), constitutes the entire agreement between AssureHire and Customer regarding the Services. All prior agreements, both oral and written, between the parties on the matters contained in this Agreement are expressly cancelled and superseded by this Agreement. In no event shall any terms or conditions included on any form of Customer purchase order apply to the relationship between AssureHire and Customer hereunder, unless such terms are expressly agreed to by the parties in writing. Any amendments or waivers relating to this Agreement must be in writing signed by the party, or parties, to be charged herewith.
- 10.2. This Agreement binds and inures the benefit of the parties and their successors and permitted assigns, except that neither party may assign this Agreement without the prior written consent of the other party unless in connection with a merger or consolidation (so long as the assignment is to the newly merged or consolidated entity) or the sale of substantially all of the party's assets (so long as the assignment is to the acquirer of such assets).

End User Certification

In compliance with the Federal Fair Credit Reporting Act, as amended (the "FCRA"), County of Riverside ("End User") hereby certifies to AssureHire, Inc. (AssureHire) that it understands and will comply with End User's obligations under the FCRA, as set forth below.

- 1. End User certifies that all of its orders for information products from AssureHire shall be made, and the resulting

reports shall be used for the following Fair Credit Reporting Act, 15 U.S.C. § 1681, et seq., permissible purposes only:

- a. Section 604(a)(2). As instructed by the consumer in writing.
 - b. Section 604(a)(3)(B). For employment purposes including evaluating a consumer for employment, promotion, reassignment, or retention as an employee, where the consumer has given prior written permission.
2. End User, unless End User elects to utilize AssureHire's Electronic Signature product, hereby certifies that in every case prior to procurement or causing the procurement of a consumer report or investigative consumer report (collectively the "report") for employment purposes as required by law:
- a. A clear and conspicuous disclosure has been made in writing to the consumer prior to the report being procured or caused to be procured, in a document that consists of only the disclosure that a consumer report will be obtained for employment purposes, and such disclosure satisfies all requirements identified in the Fair Credit Reporting Act, as well as any applicable state or local laws; and
 - b. The consumer has authorized in writing the procurement of the report by the End User.
 - c. Further, End User, unless End User elects to utilize AssureHire's Electronic Signature product, hereby certifies that in every case prior to procurement or causing the procurement of an investigative consumer report for employment purposes as required by law:
 - i. A clear and conspicuous disclosure has been made in writing to the consumer prior to the report being procured or caused to be procured, in a document that consists of only the disclosure as set forth in 2a) above, and that an investigative consumer report including information as to the consumer's character, general reputation, personal characteristics and/or mode of living will be obtained for employment purposes; and
 - ii. Such disclosure contains a statement advising the consumer of his/her right to request a complete and accurate statement regarding the nature and scope of the requested investigative consumer report and his/her right to request a copy of the rights of the consumer under the FCRA, a copy of which is attached hereto ("A Summary of Your Rights Under the Fair Credit Reporting Act"). If the consumer makes such a request in a reasonable amount of time, End User agrees to provide the name and address of the outside agency to whom requests for any of these reports has been made. This information shall be provided no later than five days after the date on which the request for such disclosure was received from the consumer or such report was first requested, whichever is the latter.
3. Additionally, to the extent End User elects to customize an Adjudication Criteria and or Adverse Action Notices, and to the extent permitted by Law, End User authorizes AssureHire to adjudicate Background Checks on End User's behalf, based on such Adjudication Criteria, and if applicable, send pre-adverse action and adverse action notices on End User's behalf; provided that, End User acknowledge and agree that End User is solely responsible for Adjudication Criteria and AssureHire shall not be liable for any decisions taken based on End User's Adjudication Criteria.
- a. You certify that, as of the time End User enters into this Agreement, End User has reviewed End User's Adjudication Criteria to ensure that it complies with applicable Law, and that End User will regularly update such criteria in order to ensure End User's ongoing and continued compliance with applicable Law.
 - b. With each order for a Background Check Report, End User reaffirms the statements in 3(a) above.
4. Additionally, to the extent End User is requesting AssureHire to provide Massachusetts iCORI information, End User also affirms that: (i) End User notified the consumer in writing of, and received permission via a separate authorization for AssureHire to obtain and provide CORI information to End User; (ii) End User is in compliance with

all federal and state credit reporting statutes; (iii) End User will not misuse any CORI information provided in violation of federal or state equal employment opportunity laws or regulations; and (iv) End User will provide AssureHire with a statement of the annual salary of the position for which the subject is screened.

5. Additionally to the extent End User requests any reports covered by the California Investigative Consumer Reporting Agencies Act ("ICRA"), California Civil Code Sections 1786 et seq., and/or the Consumer Credit Reporting Agencies Act ("CCRAA"), California Code Sections 1785.1, et seq., which require consent from the consumer, End User also affirms that: (i) it will request and use information products solely for permissible purpose(s) identified under California Civil Code Sections 1785.11 and 1786.12; and (ii) it will provide a clear and conspicuous disclosure in writing to the consumer, which discloses solely: (A) that an investigative Information Products may be obtained; (B) the permissible purpose of the investigative Information Products; (C) the End User's name, mailing address, website address, and toll-free telephone number; (D) that the report will include information on the consumer's character, general reputation, personal characteristics, and mode of living; (E) the nature and scope of the investigation to be performed, including a summary of the provisions of California Civil Code Section 1786.22; (F) the consumer's right to inspect AssureHire's files about the subject by providing proper identification and AssureHire will provide the subject with trained personnel and explanation of any codes to help understand those files; and (G) a box that the consumer may check to request a copy of the report and if the consumer checks that box, a copy of the report will be sent to the consumer within three business days after End User receives the report, along with the name, address, and telephone number of the person at End User who issued the report and how to contact him/her.
 - a. End User also certifies that under all applicable circumstances, it will comply with California Civil Code Sections 1785.20 and 1786.40 if the taking of adverse action is a consideration, which shall include, but may not be limited to, advising the consumer against whom an adverse action has been taken that the adverse action was based in whole or in part upon information contained in the Information Product, informing the consumer in writing of the End User's name, address, and telephone number, and provide the consumer of a written notice of his/her rights under the ICRA and CCRAA.
 - b. End User also will comply with all other requirements under applicable California law, including, but not limited to, any statutes, regulations, and rules governing the procurement, use and/or disclosure of any information producers, including, but not limited to, the ICRA and CCRAA.
6. In using a report for employment purposes, before taking any adverse action based in whole or in part on the report, the End User shall provide to the consumer or authorize AssureHire on behalf of the End User to provide to the consumer to whom the report relates:
 - a. A copy of the report; and
 - b. A copy of the A Summary of Your Rights Under the Fair Credit Reporting Act and any applicable state summary of rights; and
 - c. Provide the individual with a reasonable opportunity of time to correct any erroneous information contained in the report (and provide AssureHire's name and contact information) and if the individual is ultimately disqualified, provide an Adverse Action letter, including the statutorily required notices identified in Section 615 of the Fair Credit Reporting Act.

End User confirms that it must inform AssureHire if any requested report is not to be used for employment purposes.

End User confirms that it will not use the information contained in a report in violation of any applicable federal, state or local equal employment opportunity or other law, rule, regulation, code or guideline, including, but not limited to the Fair Credit Reporting Act and Title VII of the Civil Rights Act of 1964. End User accepts full responsibility for complying with all such laws and using the information products it receives from AssureHire in a legally acceptable fashion. To that end, End

User agrees to comply with and provide all statutorily required notices in Section 615 of the Fair Credit Reporting Act or other state laws when using information products. End User accepts full responsibility for any and all consequences of use and/or dissemination of those products. End User further agrees that each consumer report will only be used for a one-time use.

End User agrees to have reasonable procedures for the fair and equitable use of background information and to secure the confidentiality of private information. End User agrees to take precautionary measures to protect the security and dissemination of all consumer report or investigative consumer report information including, for example, restricting terminal access, and utilizing passwords to restrict access to terminal devices, and securing access to, dissemination and destruction of electronic and hard copy reports.

As a condition of entering into this Agreement, End User certifies that it has in place reasonable procedures designed to comply with all applicable local, state, and federal laws. End User also certifies that it will retain any information it receives from AssureHire for a period of five years from the date the report was received, and will make such reports available to AssureHire upon request. This certification is incorporated into and made part of the Agreement, if applicable.

End User understands that the credit bureaus require specific written approval before the following persons, entities and/or businesses may obtain credit reports: private detectives, private detective agencies, private investigative companies, bail bondsmen, attorneys, law firms, credit counseling firms, security services, members of the media, resellers, financial counseling firms, credit repair clinics, pawn shops (except companies that do only Title pawn), check cashing companies (except companies that do only loans, no check cashing), genealogical or heir research firms, dating services, massage or tattoo services, business that operate out of an apartment, individuals seeking information for their own private use, adult entertainment services of any kind, companies that locate missing children, companies that handle third party repossession, companies seeking information in connection with time shares, subscription companies, individuals involved in spiritual counseling or persons or entities that are not an End User or decision maker.

End User also confirms that while it might provide AssureHire with copies of consent forms or related documents in order to provide AssureHire with information necessary to provide its services, AssureHire is not required to maintain copies of such documents and any obligations to retain such documents under federal or state law remain solely with End User. However, should End User elect to utilize AssureHire's Electronic Signature product, AssureHire will maintain electronic copies of consent forms. To the extent permitted by law, End User agrees to indemnify and hold harmless AssureHire, its predecessors, successors and assigns, and their current and former officers, directors, employees, agents and independent contractors, both individually and in their official capacities from any liability and reasonable attorneys' fees incurred to the extent due to End User's violation of any of the terms of this Certification or failure to comply with applicable law.

End User also confirms that it shall not use Social Security Number trace results in any way, directly or indirectly, for the purpose of making employment decisions. End user will not resell this data or use it for marketing purposes. End User also confirms that it will not use Social Security Number trace information in any way that would violate the privacy obligations or any other terms and provisions of the

Gramm-Leach-Bliley Act (15 U.S.C 6801 et seq.) or the Federal Drivers Privacy Protection Act (18.U.S.C. Section 2721 et seq.) or any other similar state or local statute, rule or regulation.

End User hereby acknowledges receipt of the A Summary of Your Rights Under the Fair Credit Reporting Act and receipt of "Notice to Users of Consumer Reports: Obligations of Users under the FCRA", also attached hereto.

Para información en español, visite www.consumerfinance.gov/learnmore o escribe a la Consumer Financial Protection Bureau, 1700 G Street N.W., Washington, DC 20552.

A Summary of Your Rights Under the Fair Credit Reporting Act

The federal Fair Credit Reporting Act (FCRA) promotes the accuracy, fairness, and privacy of information in the files of consumer reporting agencies. There are many types of consumer reporting agencies, including credit bureaus and specialty agencies (such as agencies that sell information about check writing histories, medical records, and rental history records). Here is a summary of your major rights under FCRA. **For more information, including information about additional rights, go to www.consumerfinance.gov/learnmore or write to: Consumer Financial Protection Bureau, 1700 G Street N.W., Washington, DC 20552.**

- **You must be told if information in your file has been used against you.** Anyone who uses a credit report or another type of consumer report to deny your application for credit, insurance, or employment – or to take another adverse action against you – must tell you, and must give you the name, address, and phone number of the agency that provided the information.
- **You have the right to know what is in your file.** You may request and obtain all the information about you in the files of a consumer reporting agency (your “file disclosure”). You will be required to provide proper identification, which may include your Social Security number. In many cases, the disclosure will be free. You are entitled to a free file disclosure if:
 - a person has taken adverse action against you because of information in your credit report;
 - you are the victim of identity theft and place a fraud alert in your file;
 - your file contains inaccurate information as a result of fraud; or you are on public assistance;
 - you are unemployed but expect to apply for employment within 60 days.

In addition, all consumers are entitled to one free disclosure every 12 months upon request from each nationwide credit bureau and from nationwide specialty consumer reporting agencies. See www.consumerfinance.gov/learnmore for additional information.

- **You have the right to ask for a credit score.** Credit scores are numerical summaries of your credit-worthiness based on information from credit bureaus. You may request a credit score from consumer reporting agencies that create scores or distribute scores used in residential real property loans, but you will have to pay for it. In some mortgage transactions, you will receive credit score information for free from the mortgage lender.
- **You have the right to dispute incomplete or inaccurate information.** If you identify information in your file that is incomplete or inaccurate, and report it to the consumer reporting agency, the agency must investigate unless your dispute is frivolous. See www.consumerfinance.gov/learnmore for an explanation of dispute procedures.
- **Consumer reporting agencies must correct or delete inaccurate, incomplete, or unverifiable information.** Inaccurate, incomplete, or unverifiable information must be removed or corrected, usually within 30 days. However, a consumer reporting agency may continue to report information it has verified as accurate.
- **Consumer reporting agencies may not report outdated negative information.** In most cases, a consumer reporting agency may not report negative information that is more than seven years old, or bankruptcies that are more than 10 years old.
- **Access to your file is limited.** A consumer reporting agency may provide information about you only to people with a valid need—usually to consider an application with a creditor, insurer, employer, landlord, or other business. The

FCRA specifies those with a valid need for access.

- **You must give your consent for reports to be provided to employers.** A consumer reporting agency may not give out information about you to your employer, or a potential employer, without your written consent given to the employer. Written consent generally is not required in the trucking industry. For more information, go to www.consumerfinance.gov/learnmore.
- **You may limit “prescreened” offers of credit and insurance you get based on information in your credit report.** Unsolicited “prescreened” offers for credit and insurance must include a toll-free phone number you can call if you choose to remove your name and address from the lists these offers are based on. You may opt out with the nationwide credit bureaus at 1-888-5-OPTOUT (1-888-567-8688).
- The following FCRA right applies with respect to nationwide consumer reporting agencies:

CONSUMERS HAVE THE RIGHT TO OBTAIN A SECURITY FREEZE

You have a right to place a “security freeze” on your credit report, which will prohibit a consumer reporting agency from releasing information in your credit report without your express authorization. The security freeze is designed to prevent credit, loans, and services from being approved in your name without your consent. However, you should be aware that using a security freeze to take control over who gets access to the personal and financial information in your credit report may delay, interfere with, or prohibit the timely approval of any subsequent request or application you make regarding a new loan, credit, mortgage, or any other account involving the extension of credit.

As an alternative to a security freeze, you have the right to place an initial or extended fraud alert on your credit file at no cost. An initial fraud alert is a 1-year alert that is placed on a consumer's credit file. Upon seeing a fraud alert display on a consumer's credit file, a business is required to take steps to verify the consumer's identity before extending new credit. If you are a victim of identity theft, you are entitled to an extended fraud alert, which is a fraud alert lasting 7 years.

A security freeze does not apply to a person or entity, or its affiliates, or collection agencies acting on behalf of the person or entity, with which you have an existing account that requests information in your credit report for the purposes of reviewing or collecting the account. Reviewing the account includes activities related to account maintenance, monitoring, credit line increases, and account upgrades and enhancements.

- **You may seek damages from violators.** If a consumer reporting agency, or, in some cases, a user of consumer reports or a furnisher of information to a consumer reporting agency violates the FCRA, you may be able to sue in state or federal court.
- **Identity theft victims and active duty military personnel have additional rights.** For more information, visit www.consumerfinance.gov/learnmore.

States may enforce the FCRA, and many states have their own consumer reporting laws. In some cases, you may have more rights under state law. For more information, contact your state or local consumer protection agency or your state Attorney General. **For information about your federal rights, contact:**

Type of Business

Contact

1. (a.) Banks, savings associations, and credit unions with total assets of over \$10 billion and their affiliates	a. Consumer Financial Protection Bureau 1700 G Street, N.W. Washington, DC 20552
b. Such affiliates that are not banks, savings associations, or credit unions also should list, in addition to the CFPB:	b. Federal Trade Commission Consumer Response Center 600 Pennsylvania Avenue, N.W. Washington, DC 20580 (877) 382-4357
2. To the extent not included in item 1 above:	a. Office of the Comptroller of the Currency Customer Assistance Group 1301 McKinney Street, Suite 3450 Houston, TX 77010-9050
a. National banks, federal savings associations, and federal branches and federal agencies of foreign banks	b. Federal Reserve Consumer Help Center P.O. Box 1200 Minneapolis, MN 55480
b. State member banks, branches and agencies of foreign banks (other than federal branches, federal agencies, and Insured State Branches of Foreign Banks), commercial lending companies owned or controlled by foreign banks, and organizations operating under section 25 or 25A of the Federal Reserve Act.	c. FDIC Consumer Response Center 1100 Walnut Street, Box #11 Kansas City, MO 64106
c. Nonmember Insured Banks, Insured State Branches of Foreign Banks, and insured state savings associations	d. National Credit Union Administration Office of Consumer Financial Protection (OCFP) Division of Consumer Compliance Policy and Outreach 1775 Duke Street, Alexandria, VA 22314
d. Federal Credit Unions	Asst. General Counsel for Aviation Enforcement & Proceedings Aviation Consumer Protection Division Department of Transportation 1200 New Jersey Avenue, S.E. Washington, DC 20590
3. Air carriers	Office of Proceedings, Surface Transportation Board Department of Transportation 395 E Street, S.W. Washington, DC 20423
4. Creditors Subject to the Surface Transportation Board	Nearest Packers and Stockyards Administration area supervisor
5. Creditors Subject to the Packers and Stockyards Act, 1921	Associate Deputy Administrator for Capital Access United States Small Business Administration 409 Third Street, S.W., Suite 8200 Washington, DC 20416
6. Small Business Investment Companies	Securities and Exchange Commission 100 F Street, N.E. Washington, DC 20549
7. Brokers and Dealers	Farm Credit Administration 1501 Farm Credit Drive McLean, VA 22102-5090
8. Federal Land Banks, Federal Land Bank Associations, Federal Intermediate Credit Banks, and Production Credit Associations	Federal Trade Commission Consumer Response Center 600 Pennsylvania Avenue, N.W. Washington, DC 20580 (877) 382-4357
9. Retailers, Finance Companies, and All Other Creditors Not Listed Above	

Para información en español, visite www.consumerfinance.gov/learnmore o escriba al Consumer Financial Protection Bureau, 1700 G Street N.W., Washington, DC 20552.

Remedying the Effects of Identity Theft

You are receiving this information because you have been notified a consumer reporting company that you believe that you are a victim of identity theft. Identity theft occurs when someone uses your name, Social Security number, date of birth, or other identifying information, without authority, to commit fraud. For example, someone may have committed identity theft by using your personal information to open a credit card account or to get a loan in your name. For more information, visit www.consumerfinance.gov/learnmore or write to: Consumer Financial Protection Bureau, 1700 G Street N.W., Washington, DC 20552.

The Fair Credit Reporting Act (FCRA) gives you specific rights when you are, or believe that you are, the victim of identity theft. Here is a brief summary of the rights designed to help you recover from identity theft.

1. **You have the right to ask that nationwide consumer reporting companies place “fraud alerts” in your file to let potential creditors and others know that you may be a victim of identity theft.** A fraud alert can make it more difficult for someone to get credit in your name because it tells creditors to follow certain procedures to protect you. It also may delay your ability to obtain credit. You may place a fraud alert in your file by calling just one of the three nationwide consumer reporting agencies. As soon as the agency processes your fraud alert, it will notify the other two, which then also must place fraud alerts in your file.

- **Equifax:** 1-800-525-6285; www.equifax.com
- **Experian:** 1-888-397-3742; www.experian.com
- **TransUnion:** 1-800-680-7289; www.transunion.com

An **initial fraud alert** stays in your file for at least 90 days. An **extended alert** stays in your file for seven years. To place either of these alerts, a consumer reporting agency will require you to provide appropriate proof of your identity, which may include your Social Security number. If you ask for an **extended alert**, you will also have to provide an **identity theft report**. An **identity theft report** includes a copy of a report you have files with a federal, state, or local law enforcement agency, and additional information a consumer reporting agency may require you to submit. For more detailed information about the **identity theft report**, visit www.consumerfinance.gov/learnmore.

2. **You have the right to free copies of the information in your file (your “file disclosure”).** An **initial fraud alert** entitles you to a copy of all the information in your file at each of the three nationwide agencies, and an **extended alert** entitles you to two free file disclosures in a 12-month period following the placing of the alert. These additional disclosures may help you detect signs of fraud, for example, whether fraudulent accounts have been opened in your name or whether someone has reported a change in your address. Once a year, you also have the right to a free copy of the information in your file at any consumer reporting agency, if you believe it has inaccurate information due to fraud, such as identity theft. You also have the ability to obtain additional free file disclosures under other provisions of the FCRA. See www.consumerfinance.gov/learnmore.
3. **You have the right to obtain documents relating to fraudulent transactions made or accounts opened using your personal information.** A creditor or other business must give you copies of applications and other business records relating to transactions and accounts that resulted from the theft of your identity, if you ask for them in writing. A business may ask you for proof of your identity, a police report, and an affidavit before giving you the documents. It also may specify an address for you to send your request. Under certain circumstances, a business can refuse to provide

you with these documents. See www.consumerfinance.gov/learnmore.

4. **You have the right to obtain information from a debt collector.** If you ask, a debt collector must provide you with certain information about the debt you believe was incurred in your name by an identity thief - like the name of the credit and the amount of the debt.
5. **If you believe information in your file results from identity theft, you have the right to ask that a consumer reporting agency block that information from your file.** An identity thief may run up bills in your name and not pay them. Information about the unpaid bills may appear on your consumer report. Should you decide to ask a consumer reporting agency to block the reporting of this information, you must identify the information to block, and provide the consumer reporting agency with proof of your identity and a copy of your **identity theft report**. The consumer reporting agency can refuse or cancel your request for a block if, for example, you don't provide the necessary documentation, or where the block results from an error or a material misrepresentation of fact made by you. If the agency declines or rescinds the block, it must notify you. Once a debt resulting from identity theft has been blocked, a person or business with notice of the block may not sell, transfer, or place the debt for collection.
6. **You also may prevent businesses from reporting information about you to consumer reporting agencies if you believe the information is a result of identity theft.** To do so, you must send your request to the address specified by the business that reports the information to the consumer reporting agency. The business will expect you to identify what information you do not want reported and to provide an **identity theft report**.

To learn more about identity theft and how to deal with its consequences, visit www.consumerfinance.gov/learnmore, or write to the Consumer Financial Protection Bureau. You may have additional rights under state law. For more information, contact your local consumer protection agency or your state Attorney General.

In addition to the new rights and procedures to help consumers deal with the effects of identity theft, the FCRA has many other important consumer protections. They are described in more detail at www.consumerfinance.gov/learnmore.

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 the 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 a 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(1), 604(c), 604(e), and 614(d). This practice is known as “prescreening” and typically involves obtaining a list of consumers from a CRA 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 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, the 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 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 identify 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. § 1618 et seq.:

	15 U.S.C. 1681	Section 615	15 U.S.C. 1681m
Section 603	15 U.S.C. 1681a	Section 616	15 U.S.C. 1681n
Section 604	15 U.S.C. 1681b	Section 617	15 U.S.C. 1681o
Section 605	15 U.S.C. 1681c	Section 618	15 U.S.C. 1681p
Section 605A	15 U.S.C. 1681c-1	Section 619	15 U.S.C. 1681q
Section 605B	15 U.S.C. 1681c-2	Section 620	15 U.S.C. 1681r
Section 606	15 U.S.C. 1681d	Section 621	15 U.S.C. 1681s
Section 607	15 U.S.C. 1681e	Section 622	15 U.S.C. 1681s-1
Section 608	U.S.C. 1681f	Section 623	15 U.S.C. 1681s-2
Section 609	15 U.S.C. 1681g	Section 624	15 U.S.C. 1681t
Section 610	15 U.S.C. 1681h	Section 625	15 U.S.C. 1681u
Section 611	15 U.S.C. 1681i	Section 626	15 U.S.C. 1681v

Section 612	15 U.S.C. 1681j	Section 627	15 U.S.C. 1681w
Section 613	15 U.S.C. 1681k	Section 628	15 U.S.C. 1681x
Section 614	15 U.S.C. 1681l	Section 629	15 U.S.C. 1681y

All furnishers 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 Furnishers of Information: Obligations of Furnishers Under the FCRA

The federal Fair Credit Reporting Act (FCRA), 15 U.S.C. § 1681-1681y, imposes responsibilities on all persons who furnish information to consumer reporting agencies (CRAs). These responsibilities are found in Section 623 of the FCRA, 15 U.S.C. § 1681s-2. State law may impose additional requirements on furnishers. All furnishers of information to CRAs should become familiar with the applicable laws and may want to consult with their counsel to ensure that they are in compliance. The text of the FCRA is set forth in full at the Bureau of Consumer Financial Protection's website at www.consumerfinance.gov/learnmore. A list of the sections of the FCRA cross-referenced to the U.S. Code is at the end of this document.

Section 623 imposes the following duties:

I. Accuracy Guidelines

The banking and credit union regulators and the CFPB will promulgate guidelines and regulations dealing with the accuracy of information provided to CRAs by furnishers. The regulations and guidelines issued by the CFPB will be available at www.consumerfinance.gov/learnmore when they are issued. Section 623(e).

General Prohibition on Reporting Inaccurate Information The FCRA prohibits information furnishers from providing information to a CRA that they know or have reasonable cause to believe is inaccurate. However, the furnisher is not subject to this general prohibition if it clearly and conspicuously specifies an address to which consumers may write to notify the furnisher that certain information is inaccurate. Sections 623(a)(1)(A) and (a)(1)(C).

II. Duty to Correct and Update Information

If at any time a person who regularly and in the ordinary course of business furnishes information to one or more CRAs determines that the information provided is not complete or accurate, the furnisher must promptly provide complete and accurate information to the CRA. In addition, the furnisher must notify all CRAs that received the information of any corrections, and must thereafter report only the complete and accurate information. Section 623(a)(2).

III. Duties After Notice of Dispute from Consumer

If a consumer notifies a furnisher, at an address specified by the furnisher for such notices, that specific information is inaccurate, and the information is, in fact, inaccurate, the furnisher must thereafter report the correct information to CRAs. Section 623(a)(1)(B). If a consumer notifies a furnisher that the consumer disputes the completeness or accuracy of any information reported by the furnisher, the furnisher may not subsequently report that information to a CRA without providing notice of the dispute. Section 623(a)(3).

The federal banking and credit union regulators and the CFPB will issue regulations that will identify when an information furnisher must investigate a dispute made directly to the furnisher by a consumer. Once these regulations are issued, furnishers must comply with them and complete an investigation within 30 days (or 45 days, if the consumer later provides relevant additional information) unless the dispute is frivolous or irrelevant or comes from a "credit repair organization." The CFPB regulations will be available at www.consumerfinance.gov. Section 623(a)(8).

IV. Duties After Notice of Dispute from Consumer Reporting Agency

If a CRA notifies a furnisher that a consumer disputes the completeness or accuracy of information provided by the furnisher, the furnisher has a duty to follow certain procedures. The furnisher must:

Conduct an investigation and review all relevant information provided by the CRA, including information given to the CRA by the consumer. Sections 623(b)(1)(A) and (b)(1)(B)

- Report the results to the CRA that referred the dispute, and, if the investigation establishes that the information was, in fact, incomplete or inaccurate, report the results to all CRAs to which the furnisher provided the information that compile and maintain files on a nationwide basis. *Sections 623(b)(1)(C) and (b)(1)(D).*
- Complete the above steps within 30 days from the date the CRA receives the dispute (or 45 days, if the consumer later provides relevant additional information to the CRA). *Section 623(b)(2).*
- Promptly modify or delete the information, or block its reporting. *Section 623(b)(1)(E).*

V. Duty to Report Voluntary Closing of Credit Accounts

If a consumer voluntarily closes a credit account, any person who regularly and in the ordinary course of business furnishes information to one or more CRAs must report this fact when it provides information to CRAs for the time period in which the account was closed. *Section 623(a)(4).*

VI. Duty to Report Dates of Delinquencies

If a furnisher reports information concerning a delinquent account placed for collection, charged to profit or loss, or subject to any similar action, the furnisher must, within 90 days after reporting the information, provide the CRA with the month and the year of the commencement of the delinquency that immediately preceded the action, so that the agency will know how long to keep the information in the consumer's file. *Section 623(a)(5).*

Any person, such as a debt collector, that has acquired or is responsible for collecting delinquent accounts and that reports information to CRAs may comply with the requirements of *Section 623(a)(5)* (until there is a consumer dispute) by reporting the same delinquency date previously reported by the creditor. If the creditor did not report this date, they may comply with the FCRA by establishing reasonable procedures to obtain and report delinquency dates, or, if a delinquency date cannot be reasonably obtained, by following reasonable procedures to ensure that the date reported precedes the date when the account was placed for collection, charged to profit or loss, or subjected to any similar action. *Section 623(a)(5).*

VII. Duties of Financial Institutions When Reporting Negative Information

Financial institutions that furnish information to "nationwide" consumer reporting agencies, as defined in Section 603(p), must notify consumers in writing if they may furnish or have furnished negative information to a CRA. Section 623(a)(7). The Consumer Financial Protection Bureau has prescribed model disclosures, 12 CFR Part 1022, App. B.

VIII. Duties When Furnishing Medical Information

A furnisher whose primary business is providing medical services, products, or devices (and such furnisher's agents or assignees) is a medical information furnisher for the purposes of the FCRA and must notify all CRAs to which it reports of this fact. Section 623(a)(9). This notice will enable CRAs to comply with their duties under Section 604(g) when reporting medical information.

IX. Duties when ID Theft Occurs

All furnishers must have in place reasonable procedures to respond to notifications from CRAs that information furnished is the result of identity theft, and to prevent refurnishing the information in the future. A furnisher may not furnish information that a consumer has identified as resulting from identity theft unless the furnisher subsequently knows or is informed by the consumer that the information is correct. Section 623(a)(6). If a furnisher learns that it has furnished inaccurate information due to identity theft, it must notify each consumer reporting agency of the correct information and must thereafter report only complete and accurate information. Section 623(a)(2). When any furnisher of information is notified pursuant to the procedures set forth in Section 605B that a debt has resulted from identity theft, the furnisher may not sell, transfer, or place for collection the debt except in certain limited circumstances. Section 615(f).

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.:

	15 U.S.C. 1681	Section 615	15 U.S.C. 1681m
Section 603	15 U.S.C. 1681a	Section 616	15 U.S.C. 1681n
Section 604	15 U.S.C. 1681b	Section 617	15 U.S.C. 1681o
Section 605	15 U.S.C. 1681c	Section 618	15 U.S.C. 1681p
Section 605A	15 U.S.C. 1681c-1	Section 619	15 U.S.C. 1681q
Section 605B	15 U.S.C. 1681c-2	Section 620	15 U.S.C. 1681r
Section 606	15 U.S.C. 1681d	Section 621	15 U.S.C. 1681s
Section 607	15 U.S.C. 1681e	Section 622	15 U.S.C. 1681s-1
Section 608	U.S.C. 1681f	Section 623	15 U.S.C. 1681s-2
Section 609	15 U.S.C. 1681g	Section 624	15 U.S.C. 1681t
Section 610	15 U.S.C. 1681h	Section 625	15 U.S.C. 1681u
Section 611	15 U.S.C. 1681i	Section 626	15 U.S.C. 1681v

Section 612	15 U.S.C. 1681j	Section 627	15 U.S.C. 1681w
Section 613	15 U.S.C. 1681k	Section 628	15 U.S.C. 1681x
Section 614	15 U.S.C. 1681l	Section 629	15 U.S.C. 1681y

Attachment I
HIPAA Business Associate Agreement
Addendum to Contract

This HIPAA Business Associate Agreement (the "Addendum") supplements, and is made part of the Underlying Agreement between the County of Riverside ("County") and Contractor and shall be effective as of the date the Underlying Agreement approved by both Parties (the "Effective Date").

RECITALS

WHEREAS, County and Contractor entered into the Underlying Agreement pursuant to which the Contractor provides services to County, and in conjunction with the provision of such services certain protected health information ("PHI") and/or certain electronic protected health information ("ePHI") may be created by or made available to Contractor for the purposes of carrying out its obligations under the Underlying Agreement; and,

WHEREAS, the provisions of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), Public Law 104-191 enacted August 21, 1996, and the Health Information Technology for Economic and Clinical Health Act ("HITECH") of the American Recovery and Reinvestment Act of 2009, Public Law 111-5 enacted February 17, 2009, and the laws and regulations promulgated subsequent thereto, as may be amended from time to time, are applicable to the protection of any use or disclosure of PHI and/or ePHI pursuant to the Underlying Agreement; and,

WHEREAS, County is a covered entity, as defined in the Privacy Rule; and,

WHEREAS, to the extent County discloses PHI and/or ePHI to Contractor or Contractor creates, receives, maintains, transmits, or has access to PHI and/or ePHI of County, Contractor is a business associate, as defined in the Privacy Rule; and,

WHEREAS, pursuant to 42 USC §17931 and §17934, certain provisions of the Security Rule and Privacy Rule apply to a business associate of a covered entity in the same manner that they apply to the covered entity, the additional security and privacy requirements of HITECH are applicable to business associates and must be incorporated into the business associate agreement, and a business associate is liable for civil and criminal penalties for failure to comply with these security and/or privacy provisions; and,

WHEREAS, the Parties mutually agree that any use or disclosure of PHI and/or ePHI must be in compliance with the Privacy Rule, Security Rule, HIPAA, HITECH and any other applicable law; and,

WHEREAS, the Parties intend to enter into this Addendum to address the requirements and obligations set forth in the Privacy Rule, Security Rule, HITECH and HIPAA as they apply to Contractor as a business associate of County, including the establishment of permitted and required uses and disclosures of PHI and/or ePHI created or received by Contractor during the course of performing functions, services and activities on behalf of County, and appropriate limitations and conditions on such uses and disclosures;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the Parties agree as follows:

1. **Definitions.** Terms used, but not otherwise defined, in this Addendum shall have the same meaning as those terms in HITECH, HIPAA, Security Rule and/or Privacy Rule, as may be amended from time to time.
 - A. "Breach" when used in connection with PHI means the acquisition, access, use or disclosure of PHI in a manner not permitted under subpart E of the Privacy Rule which compromises the security or privacy of the PHI, and shall have the meaning given such term in 45 CFR §164.402.
 - (1) Except as provided below in Paragraph (2) of this definition, acquisition, access, use, or disclosure of PHI in a manner not permitted by subpart E of the Privacy Rule is presumed to be a breach unless Contractor demonstrates that there is a low probability that the PHI has been compromised based on a risk assessment of at least the following four factors:
 - (a) The nature and extent of the PHI involved, including the types of identifiers and the likelihood of re-identification;
 - (b) The unauthorized person who used the PHI or to whom the disclosure was made;
 - (c) Whether the PHI was actually acquired or viewed; and

(d) The extent to which the risk to the PHI has been mitigated.

(2) Breach excludes:

(a) Any unintentional acquisition, access or use of PHI by a workforce member or person acting under the authority of a covered entity or business associate, if such acquisition, access or use was made in good faith and within the scope of authority and does not result in further use or disclosure in a manner not permitted under subpart E of the Privacy Rule.

(b) Any inadvertent disclosure by a person who is authorized to access PHI at a covered entity or business associate to another person authorized to access PHI at the same covered entity, business associate, or organized health care arrangement in which County participates, and the information received as a result of such disclosure is not further used or disclosed in a manner not permitted by subpart E of the Privacy Rule.

(c) A disclosure of PHI where a covered entity or business associate has a good faith belief that an unauthorized person to whom the disclosure was made would not reasonably have been able to retain such information.

- B. "Business associate" has the meaning given such term in 45 CFR §164.501, including but not limited to a subcontractor that creates, receives, maintains, transmits or accesses PHI on behalf of the business associate.
- C. "Data aggregation" has the meaning given such term in 45 CFR §164.501.
- D. "Designated record set" as defined in 45 CFR §164.501 means a group of records maintained by or for a covered entity that may include: the medical records and billing records about individuals maintained by or for a covered health care provider; the enrollment, payment, claims adjudication, and case or medical management record systems maintained by or for a health plan; or, used, in whole or in part, by or for the covered entity to make decisions about individuals.
- E. "Electronic protected health information" ("ePHI") as defined in 45 CFR §160.103 means protected health information transmitted by or maintained in electronic media.
- F. "Electronic health record" means an electronic record of health-related information on an individual that is created, gathered, managed, and consulted by authorized health care clinicians and staff, and shall have the meaning given such term in 42 USC §17921(5).
- G. "Health care operations" has the meaning given such term in 45 CFR §164.501.
- H. "Individual" as defined in 45 CFR §160.103 means the person who is the subject of protected health information.
- I. "Person" as defined in 45 CFR §160.103 means a natural person, trust or estate, partnership, corporation, professional association or corporation, or other entity, public or private.
- J. "Privacy Rule" means the HIPAA regulations codified at 45 CFR Parts 160 and 164, Subparts A and E.
- K. "Protected health information" ("PHI") has the meaning given such term in 45 CFR §160.103, which includes ePHI.
- L. "Required by law" has the meaning given such term in 45 CFR §164.103.
- M. "Secretary" means the Secretary of the U.S. Department of Health and Human Services ("HHS").
- N. "Security incident" as defined in 45 CFR §164.304 means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system.
- O. "Security Rule" means the HIPAA Regulations codified at 45 CFR Parts 160 and 164, Subparts A and C.
- P. "Subcontractor" as defined in 45 CFR §160.103 means a person to whom a business associate delegates a function, activity, or service, other than in the capacity of a member of the workforce of such business associate.

- Q. "Unsecured protected health information" and "unsecured PHI" as defined in 45 CFR §164.402 means PHI not rendered unusable, unreadable, or indecipherable to unauthorized persons through use of a technology or methodology specified by the Secretary in the guidance issued under 42 USC §17932(h)(2).

2. Scope of Use and Disclosure by Contractor of County's PHI and/or ePHI.

- A. Except as otherwise provided in this Addendum, Contractor may use, disclose, or access PHI and/or ePHI as necessary to perform any and all obligations of Contractor under the Underlying Agreement or to perform functions, activities or services for, or on behalf of, County as specified in this Addendum, if such use or disclosure does not violate HIPAA, HITECH, the Privacy Rule and/or Security Rule.
- B. Unless otherwise limited herein, in addition to any other uses and/or disclosures permitted or authorized by this Addendum or required by law, in accordance with 45 CFR §164.504(e)(2), Contractor may:
 - 1) Use PHI and/or ePHI if necessary for Contractor's proper management and administration and to carry out its legal responsibilities; and,
 - 2) Disclose PHI and/or ePHI for the purpose of Contractor's proper management and administration or to carry out its legal responsibilities, only if:
 - a) The disclosure is required by law; or,
 - b) Contractor obtains reasonable assurances, in writing, from the person to whom Contractor will disclose such PHI and/or ePHI that the person will:
 - i. Hold such PHI and/or ePHI in confidence and use or further disclose it only for the purpose for which Contractor disclosed it to the person, or as required by law; and,
 - ii. Notify County of any instances of which it becomes aware in which the confidentiality of the information has been breached; and,
 - 3) Use PHI to provide data aggregation services relating to the health care operations of County pursuant to the Underlying Agreement or as requested by County; and,
 - 4) De-identify all PHI and/or ePHI of County received by Contractor under this Addendum provided that the de-identification conforms to the requirements of the Privacy Rule and/or Security Rule and does not preclude timely payment and/or claims processing and receipt.
- C. Notwithstanding the foregoing, in any instance where applicable state and/or federal laws and/or regulations are more stringent in their requirements than the provisions of HIPAA, including, but not limited to, prohibiting disclosure of mental health and/or substance abuse records, the applicable state and/or federal laws and/or regulations shall control the disclosure of records.

3. Prohibited Uses and Disclosures.

- A. Contractor may neither use, disclose, nor access PHI and/or ePHI in a manner not authorized by the Underlying Agreement or this Addendum without patient authorization or de-identification of the PHI and/or ePHI and as authorized in writing from County.
- B. Contractor may neither use, disclose, nor access PHI and/or ePHI it receives from County or from another business associate of County, except as permitted or required by this Addendum, or as required by law.
- C. Contractor agrees not to make any disclosure of PHI and/or ePHI that County would be prohibited from making.
- D. Contractor shall not use or disclose PHI for any purpose prohibited by the Privacy Rule, Security Rule, HIPAA and/or HITECH, including, but not limited to 42 USC §17935 and §17936. Contractor agrees:

- 1) Not to use or disclose PHI for fundraising , unless pursuant to the Underlying Agreement and only if permitted by and in compliance with the requirements of 45 CFR §164.514(f) or 45 CFR §164.508;
- 2) Not to use or disclose PHI for marketing, as defined in 45 CFR §164.501, unless pursuant to the Underlying Agreement and only if permitted by and in compliance with the requirements of 45 CFR §164.508(a)(3);
- 3) Not to disclose PHI, except as otherwise required by law, to a health plan for purposes of carrying out payment or health care operations, if the individual has requested this restriction pursuant to 42 USC §17935(a) and 45 CFR §164.522, and has paid out of pocket in full for the health care item or service to which the PHI solely relates; and,
- 4) Not to receive, directly or indirectly, remuneration in exchange for PHI, or engage in any act that would constitute a sale of PHI, as defined in 45 CFR §164.502(a)(5)(ii), unless permitted by the Underlying Agreement and in compliance with the requirements of a valid authorization under 45 CFR §164.508(a)(4). This prohibition shall not apply to payment by County to Contractor for services provided pursuant to the Underlying Agreement.

4. **Obligations of County.**

- A. County agrees to make its best efforts to notify Contractor promptly in writing of any restrictions on the use or disclosure of PHI and/or ePHI agreed to by County that may affect Contractor's ability to perform its obligations under the Underlying Agreement, or this Addendum.
- B. County agrees to make its best efforts to promptly notify Contractor in writing of any changes in, or revocation of, permission by any individual to use or disclose PHI and/or ePHI, if such changes or revocation may affect Contractor's ability to perform its obligations under the Underlying Agreement, or this Addendum.
- C. County agrees to make its best efforts to promptly notify Contractor in writing of any known limitation(s) in its notice of privacy practices to the extent that such limitation may affect Contractor's use or disclosure of PHI and/or ePHI.
- D. County agrees not to request Contractor to use or disclose PHI and/or ePHI in any manner that would not be permissible under HITECH, HIPAA, the Privacy Rule, and/or Security Rule.
- E. County agrees to obtain any authorizations necessary for the use or disclosure of PHI and/or ePHI, so that Contractor can perform its obligations under this Addendum and/or Underlying Agreement.

5. **Obligations of Contractor.** In connection with the use or disclosure of PHI and/or ePHI, Contractor agrees to:

- A. Use or disclose PHI only if such use or disclosure complies with each applicable requirement of 45 CFR §164.504(e). Contractor shall also comply with the additional privacy requirements that are applicable to covered entities in HITECH, as may be amended from time to time.
- B. Not use or further disclose PHI and/or ePHI other than as permitted or required by this Addendum or as required by law. Contractor shall promptly notify County if Contractor is required by law to disclose PHI and/or ePHI.
- C. Use appropriate safeguards and comply, where applicable, with the Security Rule with respect to ePHI, to prevent use or disclosure of PHI and/or ePHI other than as provided for by this Addendum.
- D. Mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of PHI and/or ePHI by Contractor in violation of this Addendum.
- E. Report to County any use or disclosure of PHI and/or ePHI not provided for by this Addendum or otherwise in violation of HITECH, HIPAA, the Privacy Rule, and/or Security Rule of which Contractor becomes aware, including breaches of unsecured PHI as required by 45 CFR §164.410.
- F. In accordance with 45 CFR §164.502(e)(1)(ii), require that any subcontractors that create, receive, maintain, transmit or access PHI on behalf of the Contractor agree through contract to the same restrictions and conditions that apply to Contractor with respect to such PHI and/or ePHI, including the restrictions and conditions pursuant to this Addendum.

- G. Make available to County or the Secretary, in the time and manner designated by County or Secretary, Contractor's internal practices, books and records relating to the use, disclosure and privacy protection of PHI received from County, or created or received by Contractor on behalf of County, for purposes of determining, investigating or auditing Contractor's and/or County's compliance with the Privacy Rule.
 - H. Request, use or disclose only the minimum amount of PHI necessary to accomplish the intended purpose of the request, use or disclosure in accordance with 42 USC §17935(b) and 45 CFR §164.502(b)(1).
 - I. Comply with requirements of satisfactory assurances under 45 CFR §164.512 relating to notice or qualified protective order in response to a third-party's subpoena, discovery request, or other lawful process for the disclosure of PHI, which Contractor shall promptly notify County upon Contractor's receipt of such request from a third-party.
 - J. Not require an individual to provide patient authorization for use or disclosure of PHI as a condition for treatment, payment, enrollment in any health plan (including the health plan administered by County), or eligibility of benefits, unless otherwise excepted under 45 CFR §164.508(b)(4) and authorized in writing by County.
 - K. Use appropriate administrative, technical and physical safeguards to prevent inappropriate use, disclosure, or access of PHI and/or ePHI.
 - L. Obtain and maintain knowledge of applicable laws and regulations related to HIPAA and HITECH, as may be amended from time to time.
 - M. Comply with the requirements of the Privacy Rule that apply to the County to the extent Contractor is to carry out County's obligations under the Privacy Rule.
 - N. Take reasonable steps to cure or end any pattern of activity or practice of its subcontractor of which Contractor becomes aware that constitute a material breach or violation of the subcontractor's obligations under the business associate contract with Contractor, and if such steps are unsuccessful, Contractor agrees to terminate its contract with the subcontractor if feasible.
6. **Access to PHI, Amendment and Disclosure Accounting.** Contractor agrees to:
- A. **Access to PHI, including ePHI.** Provide access to PHI, including ePHI if maintained electronically, in a designated record set to County or an individual as directed by County, within five (5) days of request from County, to satisfy the requirements of 45 CFR §164.524.
 - B. **Amendment of PHI.** Make PHI available for amendment and incorporate amendments to PHI in a designated record set County directs or agrees to at the request of an individual, within fifteen (15) days of receiving a written request from County, in accordance with 45 CFR §164.526.
 - C. **Accounting of disclosures of PHI and electronic health record.** Assist County to fulfill its obligations to provide accounting of disclosures of PHI under 45 CFR §164.528 and, where applicable, electronic health records under 42 USC §17935(c) if Contractor uses or maintains electronic health records. Contractor shall:
 - 1) Document such disclosures of PHI and/or electronic health records, and information related to such disclosures, as would be required for County to respond to a request by an individual for an accounting of disclosures of PHI and/or electronic health record in accordance with 45 CFR §164.528.
 - 2) Within fifteen (15) days of receiving a written request from County, provide to County or any individual as directed by County information collected in accordance with this section to permit County to respond to a request by an individual for an accounting of disclosures of PHI and/or electronic health record.
 - 3) Make available for County information required by this Section 6.C for six (6) years preceding the individual's request for accounting of disclosures of PHI, and for three (3) years preceding the individual's request for accounting of disclosures of electronic health record.

7. **Security of ePHI.** In the event County discloses ePHI to Contractor or Contractor needs to create, receive, maintain, transmit or have access to County ePHI, in accordance with 42 USC §17931 and 45 CFR §164.314(a)(2)(i), and §164.306, Contractor shall:
- A. Comply with the applicable requirements of the Security Rule, and implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of ePHI that Contractor creates, receives, maintains, or transmits on behalf of County in accordance with 45 CFR §164.308, §164.310, and §164.312;
 - B. Comply with each of the requirements of 45 CFR §164.316 relating to the implementation of policies, procedures and documentation requirements with respect to ePHI;
 - C. Protect against any reasonably anticipated threats or hazards to the security or integrity of ePHI;
 - D. Protect against any reasonably anticipated uses or disclosures of ePHI that are not permitted or required under the Privacy Rule;
 - E. Ensure compliance with the Security Rule by Contractor's workforce;
 - F. In accordance with 45 CFR §164.308(b)(2), require that any subcontractors that create, receive, maintain, transmit, or access ePHI on behalf of Contractor agree through contract to the same restrictions and requirements contained in this Addendum and comply with the applicable requirements of the Security Rule;
 - G. Report to County any security incident of which Contractor becomes aware, including breaches of unsecured PHI as required by 45 CFR §164.410; and,
 - H. Comply with any additional security requirements that are applicable to covered entities in Title 42 (Public Health and Welfare) of the United States Code, as may be amended from time to time, including but not limited to HITECH.
8. **Breach of Unsecured PHI.** In the case of breach of unsecured PHI, Contractor shall comply with the applicable provisions of 42 USC §17932 and 45 CFR Part 164, Subpart D, including but not limited to 45 CFR §164.410.
- A. **Discovery and notification.** Following the discovery of a breach of unsecured PHI, Contractor shall notify County in writing of such breach without unreasonable delay and in no case later than 60 calendar days after discovery of a breach, except as provided in 45 CFR §164.412.
 - 1) **Breaches treated as discovered.** A breach is treated as discovered by Contractor as of the first day on which such breach is known to Contractor or, by exercising reasonable diligence, would have been known to Contractor, which includes any person, other than the person committing the breach, who is an employee, officer, or other agent of Contractor (determined in accordance with the federal common law of agency).
 - 2) **Content of notification.** The written notification to County relating to breach of unsecured PHI shall include, to the extent possible, the following information if known (or can be reasonably obtained) by Contractor:
 - a) The identification of each individual whose unsecured PHI has been, or is reasonably believed by Contractor to have been accessed, acquired, used or disclosed during the breach;
 - b) A brief description of what happened, including the date of the breach and the date of the discovery of the breach, if known;
 - c) A description of the types of unsecured PHI involved in the breach, such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved;
 - d) Any steps individuals should take to protect themselves from potential harm resulting from the breach;

- e) A brief description of what Contractor is doing to investigate the breach, to mitigate harm to individuals, and to protect against any further breaches; and,
 - f) Contact procedures for individuals to ask questions or learn additional information, which shall include a toll-free telephone number, an e-mail address, web site, or postal address.
- B. **Cooperation.** With respect to any breach of unsecured PHI reported by Contractor, Contractor shall cooperate with County and shall provide County with any information requested by County to enable County to fulfill in a timely manner its own reporting and notification obligations, including but not limited to providing notice to individuals, prominent media outlets and the Secretary in accordance with 42 USC §17932 and 45 CFR §164.404, §164.406 and §164.408.
- C. **Breach log.** To the extent breach of unsecured PHI involves less than 500 individuals, Contractor shall maintain a log or other documentation of such breaches and provide such log or other documentation on an annual basis to County not later than fifteen (15) days after the end of each calendar year for submission to the Secretary.
- D. **Delay of notification authorized by law enforcement.** If Contractor delays notification of breach of unsecured PHI pursuant to a law enforcement official's statement that required notification, notice or posting would impede a criminal investigation or cause damage to national security, Contractor shall maintain documentation sufficient to demonstrate its compliance with the requirements of 45 CFR §164.412.
- E. **Payment of costs.** With respect to any breach of unsecured PHI caused solely by the Contractor's failure to comply with one or more of its obligations under this Addendum and/or the provisions of HITECH, HIPAA, the Privacy Rule or the Security Rule, Contractor agrees to pay any and all costs associated with providing all legally required notifications to individuals, media outlets, and the Secretary. This provision shall not be construed to limit or diminish Contractor's obligations to indemnify, defend and hold harmless County under Section 9 of this Addendum.
- F. **Documentation.** Pursuant to 45 CFR §164.414(b), in the event Contractor's use or disclosure of PHI and/or ePHI violates the Privacy Rule, Contractor shall maintain documentation sufficient to demonstrate that all notifications were made by Contractor as required by 45 CFR Part 164, Subpart D, or that such use or disclosure did not constitute a breach, including Contractor's completed risk assessment and investigation documentation.
- G. **Additional State Reporting Requirements.** The Parties agree that this Section 8.G applies only if and/or when County, in its capacity as a licensed clinic, health facility, home health agency, or hospice, is required to report unlawful or unauthorized access, use, or disclosure of medical information under the more stringent requirements of California Health & Safety Code §1280.15. For purposes of this Section 8.G, "unauthorized" has the meaning given such term in California Health & Safety Code §1280.15(j)(2).
- 1) Contractor agrees to assist County to fulfill its reporting obligations to affected patients and to the California Department of Public Health ("CDPH") in a timely manner under the California Health & Safety Code §1280.15.
 - 2) Contractor agrees to report to County any unlawful or unauthorized access, use, or disclosure of patient's medical information without unreasonable delay and no later than two (2) business days after Contractor detects such incident. Contractor further agrees such report shall be made in writing, and shall include substantially the same types of information listed above in Section 8.A.2 (Content of Notification) as applicable to the unlawful or unauthorized access, use, or disclosure as defined above in this section, understanding and acknowledging that the term "breach" as used in Section 8.A.2 does not apply to California Health & Safety Code §1280.15.
9. **Hold Harmless/Indemnification.**
- A. Contractor agrees to indemnify and hold harmless County, all Agencies, Districts, Special Districts and Departments of County, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives from any liability whatsoever, based or asserted upon any services of Contractor, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Addendum, including but not limited to property damage, bodily injury, death, or any other element of any kind or nature whatsoever arising

from the performance of Contractor, its officers, agents, employees, subcontractors, agents or representatives from this Addendum. Contractor shall defend, at its sole expense, all costs and fees, including but not limited to attorney fees, cost of investigation, defense and settlements or awards, of County, all Agencies, Districts, Special Districts and Departments of County, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents or representatives in any claim or action based upon such alleged acts or omissions.

- B. With respect to any action or claim subject to indemnification herein by Contractor, Contractor shall, at their sole cost, have the right to use counsel of their choice, subject to the approval of County, which shall not be unreasonably withheld, and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of County; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Contractor's indemnification to County as set forth herein. Contractor's obligation to defend, indemnify and hold harmless County shall be subject to County having given Contractor written notice within a reasonable period of time of the claim or of the commencement of the related action, as the case may be, and information and reasonable assistance, at Contractor's expense, for the defense or settlement thereof. Contractor's obligation hereunder shall be satisfied when Contractor has provided to County the appropriate form of dismissal relieving County from any liability for the action or claim involved.
 - C. The specified insurance limits required in the Underlying Agreement of this Addendum shall in no way limit or circumscribe Contractor's obligations to indemnify and hold harmless County herein from third-party claims arising from issues of this Addendum.
 - D. In the event there is conflict between this clause and California Civil Code §2782, this clause shall be interpreted to comply with Civil Code §2782. Such interpretation shall not relieve the Contractor from indemnifying County to the fullest extent allowed by law.
 - E. In the event there is a conflict between this indemnification clause and an indemnification clause contained in the Underlying Agreement of this Addendum, this indemnification shall only apply to the subject issues included within this Addendum.
10. **Term.** This Addendum shall commence upon the Effective Date and shall terminate when all PHI and/or ePHI provided by County to Contractor, or created or received by Contractor on behalf of County, is destroyed or returned to County, or, if it is infeasible to return or destroy PHI and/ePHI, protections are extended to such information, in accordance with section 11.B of this Addendum.
11. **Termination.**
- A. **Termination for Breach of Contract.** A breach of any provision of this Addendum by either Party shall constitute a material breach of the Underlying Agreement and will provide grounds for terminating this Addendum and the Underlying Agreement with or without an opportunity to cure the breach, notwithstanding any provision in the Underlying Agreement to the contrary. Either Party, upon written notice to the other Party describing the breach, may take any of the following actions:
 - 1) Terminate the Underlying Agreement and this Addendum, effective immediately, if the other Party breaches a material provision of this Addendum.
 - 2) Provide the other Party with an opportunity to cure the alleged material breach and in the event the other Party fails to cure the breach to the satisfaction of the non-breaching Party in a timely manner, the non-breaching Party has the right to immediately terminate the Underlying Agreement and this Addendum.
 - 3) If termination of the Underlying Agreement is not feasible, the breaching Party, upon the request of the non-breaching Party, shall implement, at its own expense, a plan to cure the breach and report regularly on its compliance with such plan to the non-breaching Party.
 - B. **Effect of Termination.**
 - 1) Upon termination of this Addendum, for any reason, Contractor shall return or, if agreed to in writing by County, destroy all PHI and/or ePHI received from County, or created or received by the Contractor on behalf of County, and, in the event of destruction, Contractor shall certify such destruction, in writing, to County. This provision shall apply to all PHI and/or ePHI which are in the possession of subcontractors or agents of Contractor. Contractor shall retain no copies of PHI and/or ePHI, except as provided below in paragraph (2) of this section.
 - 2) In the event that Contractor determines that returning or destroying the PHI and/or ePHI is not feasible, Contractor shall provide written notification to County of the conditions that make such return or destruction not feasible.

Upon determination by Contractor that return or destruction of PHI and/or ePHI is not feasible, Contractor shall extend the protections of this Addendum to such PHI and/or ePHI and limit further uses and disclosures of such PHI and/or ePHI to those purposes which make the return or destruction not feasible, for so long as Contractor maintains such PHI and/or ePHI.

12.

General Provisions.

- A. **Retention Period.** Whenever Contractor is required to document or maintain documentation pursuant to the terms of this Addendum, Contractor shall retain such documentation for 6 years from the date of its creation or as otherwise prescribed by law, whichever is later.
- B. **Amendment.** The Parties agree to take such action as is necessary to amend this Addendum from time to time as is necessary for County to comply with HITECH, the Privacy Rule, Security Rule, and HIPAA generally.
- C. **Survival.** The obligations of Contractor under Sections 3, 5, 6, 7, 8, 9, 11.B and 12.A of this Addendum shall survive the termination or expiration of this Addendum.
- D. **Regulatory and Statutory References.** A reference in this Addendum to a section in HITECH, HIPAA, the Privacy Rule and/or Security Rule means the section(s) as in effect or as amended.
- E. **Conflicts.** The provisions of this Addendum shall prevail over any provisions in the Underlying Agreement that conflict or appear inconsistent with any provision in this Addendum.
- F. **Interpretation of Addendum.**
 - 1) This Addendum shall be construed to be part of the Underlying Agreement as one document. The purpose is to supplement the Underlying Agreement to include the requirements of the Privacy Rule, Security Rule, HIPAA and HITECH.
 - 2) Any ambiguity between this Addendum and the Underlying Agreement shall be resolved to permit County to comply with the Privacy Rule, Security Rule, HIPAA and HITECH generally.
- G. **Notices to County.** All notifications required to be given by Contractor to County pursuant to the terms of this Addendum shall be made in writing and delivered to the County both by fax and to both of the addresses listed below by either registered or certified mail return receipt requested or guaranteed overnight mail with tracing capability, or at such other address as County may hereafter designate. All notices to County provided by Contractor pursuant to this Section shall be deemed given or made when received by County.

County HIPAA Privacy Officer: HIPAA Privacy Manager

County HIPAA Privacy Officer Address: 26520 Cactus Avenue,
Moreno Valley, CA 92555

County HIPAA Privacy Officer Phone Number: (951) 486-6471

