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|--|--|-----------------|---|---|---------------|--|
| Firm or Company: Verificient Technologies Inc 1250 Broadway Floor 36th New York NY 10001-3709 | <h1>Purchase Order</h1>  ILLINOIS STATE UNIVERSITY <i>Illinois' first public university</i> | | P.O. Number: B0216256 P.O. Date: 08/24/20 Terms: Net 30 FOB Point: Destination Req Number: 0054816 Ship by: | | | |
| Guidelines: 1. Show Purchase Order Number on all shipments and correspondence. 2. Do not include state, local or Federal Excise Taxes. ILLINOIS SALES TAX EXEMPTION ID NUMBER: E9991-3399 3. Inquiries, advice or changes must be sent to the Purchasing Department. | Ship To: Illinois State University Central Receiving PO# B0216256 2016 Warehouse Road Normal, IL 61790-1520 | | Invoice To: Illinois State University Purchasing Department Campus Box 1220 Normal, IL 61790-1220 | | | |
| Special Instructions PER ATTACHED AGREEMENT | | | | | | |
| Description REMOTE PROCTOR SERVICES AS FOLLOWS: \$5 per exam Estimated 20,000 exams Services Include: --Proctortrack tool access from Client LMS --Two webinars for faculties each semester about Proctortrack use, interpreting proctoring results, and students FAQs --Documentation support and review on a semester basis INTEGRATION FEES: Waived. TERM: 08/23/20-07/31/21 TOTAL COST NOT TO EXCEED: \$99,999 | Part # | Quantity | Unit | Unit Price | Amount | |
| President Larry Dietz Signed By:  | | | | For more information, contact Stacy L. Brown at slbrow2@ilstu.edu, 309-438-1045 or fax 309-438-5555 Total \$99,999.00 | | |

Verificient Technologies, Inc. Service Agreement for



Prepared for:

Illinois State University

Prepared by:

Rajnish Kumar, CEO
Verificient Technologies, Inc.

Date: August 3, 2020

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Executive Summary

Objective & Goals

Verificient Technologies Inc. has been retained to offer identity verification and automated proctoring services for learners at Illinois State University.

In this agreement, Verificient Technologies Inc. ("FIRM", "Firm") and Illinois State University ("CLIENT", "Client") agree to fees and terms associated with the Proctortrack online digital invigilation solution for their online exams on their LMS. The Firm also agrees to abide by the SLA described in Exhibit A.

Products and Services Description

Verificient offers four levels of online proctoring as well as an identity verification service called Veripass.

Level 1 - ProctorLock: delivers automated identity verification plus browser lockdown feature. The browser lockdown plugin/extension provides various restrictions such as **'Force full-screen'** **'Close other tabs'** **'Prohibit new tabs'** **'Prohibit keyboard shortcuts'** etc. There is an option for data recording as well. The recorded proctoring data includes video, audio and desktop screenshots. The proctoring data is made available on the integrity review page for instructors for self-review. Real time video data available within 2-3 hours. Strong deterrent to misconduct.

Level 2 - ProctorAuto: AI (Artificial Intelligence) delivers automated identity verification, data recording, and automated data analysis consisting of Level 1 and Level 2 that are based on AI/ML algorithms, each consecutive stage further improving the accuracy and consistency of the final integrity report. This process ensures strong accuracy results and faster turn around. Delivered within 4-8 hours.

Level 3 - Proctortrack QA: Proctortrack | QA (Quality Assured) This is a more robust version of ProctorAuto where the results from Level 2 are further analyzed using a manual QA review. Highest Fidelity Reports. 24-48 Hours Turnaround. Ideal for Midterms & Finals.

Level 4 - ProctorLive AI: (Live Proctoring) Real time hybrid model that couples AI-enhanced auto proctoring with live remote human proctors. Level 4 includes "game-time" intervention capabilities to thwart suspicious behaviors, freeze tests on supported LMSes if cheating has occurred or aid a student. Testing integrity results are further analyzed with Level 3 Proctortrack QA. 12-24 Hours Turnaround. Ideal for high stakes exams.

...r created with Biometric scans (Face, ID & Knuckle) and includes ID verification (using a globally available identity check to protect against the use of forged documents), secure data storage, training and unlimited support. VeriPass enables authentication of the data collected during real exams by comparison against the baseline profile. Customers have the option of using Veripass in conjunction with Proctortrack or use Proctortrack only.

Fee Schedule

Below is a per-exam pricing schedule for different level of proctoring:

Pricing proposal for Spring 2020 semester :

Unlimited Level-2 exams : \$5/per exam

Estimated number of exams is under 20,000 for the year

Integration fees: There will be a charge based on SOW for a custom platform integration. There is no integration fee for an LTI based integration that does not require Proctortrack to support any custom functionalities or user experience.

Integration fees: There will be a charge based on SOW for a custom platform integration. There is no integration fee for an LTI based integration that does not require Proctortrack to support any custom functionalities or user experience. All the above prices are inclusive of all ancillary services such as support services, required webinars and training sessions etc.

Per-Exam Pricing Terms:

Upon contract execution, a pre-payment invoice for \$50,000 would be issued based on the 20,000 exams you provided for an estimate. This is based on half the estimated number of exams that would take place. Verificent will work with you at the end of every quarter to provide actual usage data and reconcile the actual usage against your estimates, and adjustments are made for any usage over the estimated levels.

| | ADD-ONS | DESCRIPTION | ESTIMATE |
|--------------------------|---------------------------|---|-------------------|
| <input type="checkbox"/> | *Additional Time | 30 mins Additional Proctoring for Level 4 | +\$1 / 30 mins |
| <input type="checkbox"/> | Proctor Checkpoint | Live Proctor appears before an exam and conducts real time ID verification and Room Scan to ensure test compliance. Upon approval, the test-taker can move into the assessment. | +\$2 / Exam |
| <input type="checkbox"/> | Mobile App | App for iOS and Android. Test Taker can download and conduct self room scans, and use it as a second camera . | +\$2 / Exam |

BILLING AND PAYMENT

Client agrees to pay \$5 per exam for approximately 20,000 exams for the following services:

- Proctortrack tool access from Client LMS
- Two webinars for faculties each semester about Proctortrack use, interpreting proctoring results, and students FAQs
- Documentation support and review on a semester basis

INTEGRATION FEES:

Will be based on time spent on integration (this implementation takes approximately 8 hours at a blended rate of \$250/hr., of programming, testing and QA).

Integration costs discounted to: **Waived.**

DATA STORAGE FEES

Proctortrack exam data for the Client for a given exam or identity verification session will be held in Proctortrack storage for up to **180 days** after the exam session, after which its data will be automatically purged. Baseline profile data including biometric data will be held for 365 days and it will be purged after that duration. There is an additional charge for data storage of \$5/proctored student session for storage beyond the default duration.

REQUIREMENT

The above Fee Schedule is based on the assumption that Client will provide a dedicated project champion, technical lead and ensure all third-party Client vendors are involved and available in a timely manner to assist Verificient on any project dependencies, test and project scope.

TERMS

This Agreement will begin on August 25, 2020 and will remain in effect through the period ending July 31st 2021.

SUPPORT

Support will be provided 24hr x 7days / 365days/yr., as part of the maintenance and support fees.

CANCELLATION

If either party fails to rectify any material failure within thirty (30) days after receipt of written notice from the other, the non-defaulting party will have the right to cancel all or any part of this Agreement by written notice to the defaulting party. If the Firm stops being the service provider to Client for its proctoring needs, Firm will refund the Client any unused credit from the Client's deposit.

TERMS AND CONDITIONS OF USE

PRIVACY POLICY

Provided on website and on Proctortrack application at all times.

STUDENT DATA PURGE AND RETENTION

Proctortrack exam data for the Client for a given exam or identity verification session will be held in Proctortrack storage for up to **180 days** after the exam session, after which its data will be automatically purged. Baseline profile data including biometric data will be held for up to 365 days and it will be purged after that duration. In case the Client requires data to be preserved for integrity hearing purposes for longer duration, Client can export the data from Proctortrack platform into its own learning management system.

PUBLICITY

During the term of this Agreement, Client hereby grants to Verificent the limited right to utilize Client's name and approved logo in the performance of the services and in Verificent's marketing materials, provided that Verificent gives advance notice to Client of their inclusion, and only if Client gives written authorization in advance of their inclusion, in any Verificent marketing materials.

INDEMNIFICATION

(a) Firm shall indemnify, defend, and hold harmless Client from and against any and all losses, damages, liabilities, costs (including reasonable legal fees and expenses) ("Losses") incurred by Client resulting from any third-party claim, suit, action, or proceeding ("Third-Party Claim") that the Services, or any software or other intellectual property provided or used in connection with this Agreement by Firm (collectively, "Firm IP"), or any use of the Products and Services in accordance with this Agreement which is not related to paragraph (c) below in this Indemnification section of this Agreement, infringes or misappropriates such third party's intellectual property rights, provided that Client promptly notifies Firm in writing of the claim, reasonably cooperates with Firm at Firm's expense, and allows Firm sole authority to control the defense and settlement of such claim.

(b) If such a claim is made or appears possible, Client agrees to permit Firm, at Firm's sole expense, to (A) modify or replace the Firm IP, or component or part thereof, to make it non-infringing, or (B) obtain the right for Client to continue use. If neither of these alternatives are commercially reasonable, Firm may terminate this Agreement, in its entirety or with respect to the affected component or part, effective immediately on written notice to Client, provided that Firm shall refund or credit to Client all amounts Client paid in respect of the Firm IP that Client cannot reasonably use as intended under this Agreement.

(c) Client shall indemnify, defend, and hold harmless Firm from and against any and all losses, damages, liabilities, costs (including reasonable legal fees and expenses) ("Losses") incurred by Firm resulting from any third-party claim, suit, action, or proceeding, specifically including any which may arise from students or other other users of Client's services ("Third-Party Claim") based on, or arising, resulting, or derived from, any content, instructions, software, information, processes, other intellectual property, or any other material, direction, or specification provided or used in connection with this Agreement by Client (collectively, "Client Material"), or the combination of the Products and Services with any other technology, products or services, provided that Firm promptly notifies Client in writing of the claim, reasonably cooperates with Client at Client's expense, and allows Client sole authority to control the defense and settlement of such claim.

LIMITED LIABILITY

No officer, director, trustee, member, employee, or other principal, personnel, affiliate, agent or representative of Client nor any participant with Client shall be personally liable to Verificient hereunder for Client's payment obligations or otherwise, Verificient hereby agreeing to look solely to Client for the satisfaction of any liability of Client hereunder. Likewise no officer, director, trustee, member, employee, or other principal, personnel, affiliate, agent or representative of Verificient nor any participant with Verificient shall be personally liable to the Client hereunder for Verificient's obligations, Client hereby agreeing to look solely to Verificient for the satisfaction of any liability of Verificient hereunder. IN NO EVENT SHALL EITHER PARTY EVER BE LIABLE TO THE OTHER FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES OF ANY KIND, OR LOST PROFITS, REGARDLESS OF WHEN THE CLAIM IS MADE, REGARDLESS OF WHETHER THE CLAIM IS BASED UPON CONTRACT, TORT, STATUTE, STRICT LIABILITY, WARRANTY OR ANY OTHER BASIS, AND REGARDLESS OF WHETHER THAT PARTY WAS ADVISED OR OTHERWISE KNEW OF THE POSSIBILITY OF SUCH DAMAGES.

CONFIDENTIAL INFORMATION

Each party acknowledges that in connection with this Agreement it may receive certain confidential or proprietary technical and business information and materials of the other party ("Confidential Information"). Each party, its agents and employees shall hold and maintain in strict confidence all Confidential Information, shall not disclose Confidential Information to any third party, and shall not use any Confidential Information except as may be necessary to perform its obligations under the Service Agreement except as may be required by a court or governmental authority. Notwithstanding the foregoing, Confidential Information shall not include any information that is in the public domain or becomes publicly known through no fault of the receiving party, or is otherwise properly received from a third party without an obligation of confidentiality.

During the term of this Agreement and thereafter, neither party shall disclose or use Confidential Information of the other except as permitted in this Agreement or in writing by such party. Each party agrees that any of its respective employees, agents or subcontractors having access to the Confidential Information under this Agreement shall abide by these same confidentiality obligations. "Confidential Information" means all information, terms of deal, pricing and data and materials concerning each party and the Services disclosed to the other by or on behalf of such party, or developed as a result of performance of the Services, including but not limited to any individually identifiable personal information, except any portion thereof which: (i) is known to the non-disclosing party on a non-confidential basis before receipt thereof under this Agreement, as evidenced by that party's written records; (ii) is disclosed to the other party after acceptance of this Agreement by a third party having a right to make such disclosure in a non-confidential manner; or (iii) is or becomes part of the public domain through no fault of the non-disclosing party.

Upon the earlier of completion of the Services or termination or expiration of this Agreement, each party shall return to the other all Confidential Information provided to such party by or on behalf of the other, or Confidential Information of Client developed by FIRM as a result of its performance of the Services, as requested by the other party in writing. Nothing in this Agreement shall be construed to restrict either party from disclosing Confidential Information of the other as required by law or court order or other governmental order, provided in each case that such party shall timely inform the other so that it may seek a protective order.

GOVERNING LAW AND DISPUTE RESOLUTION

The formation, construction, performance and enforcement of this Agreement shall be in accordance with the laws of the United States and the State of New York without regard to its conflict of law provisions or the conflict of law provisions of any other jurisdiction. In the event of a dispute arising out of this

; any dispute by negotiation between the parties. If they are unable to resolve the dispute, either party may commence mediation and/or binding arbitration through the American Arbitration Association, or other forum mutually agreed to by the parties. The prevailing party in any dispute resolved by binding arbitration or litigation shall be entitled to recover its attorneys' fees and costs.

MISCELLANEOUS

a.) Entire Agreement; Amendment. This Agreement, together with the Terms of Service, GDPR Addendum, and University Contract Addendum, represents the entire and integrated agreement between Client and Verificent with respect to the subject matter hereof and supersedes all prior negotiations, representations or agreements, either written or oral. No other terms and conditions shall apply. This Agreement, together with the Terms of Service and GDPR Addendum, may be amended only by written instrument signed by the parties.

b.) Notices. All notices given or required under this Agreement shall be in writing and shall be given only by U.S. mail, return receipt requested, postage prepaid, or by commercial overnight delivery service, with a receipt from such delivery service and delivery charges prepaid, or by hand delivery, with a receipt from such delivery service and delivery charges prepaid, addressed or delivered, as the case may be, to Client or Verificent at the addresses and to the representatives specified on the Purchase Order. Such notices shall be effective on the date of delivery.

c.) Waivers /Severability. Any waiver of the obligations under this Agreement must be made expressly and in writing by the waiving party, using the word "waiver". Any waiver on one occasion or with respect to a particular provision shall not constitute a waiver on any other occasion or with respect to any other provision. If any provision of this Agreement is found to be invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect.

d.) Relationship of the Parties. The relationship between Client and Verificent established by this Agreement is that of independent contractors. This Agreement shall not be deemed to create a joint venture, partnership, employment, agency or other type of relationship between Client and Verificent. Verificent acknowledges and agrees that its personnel used to provide Services shall at all times be its employees, and shall not under any circumstances be deemed to be employees or agents of Client. Verificent further acknowledges and agrees that it shall have no right to bind Client to any commitment or obligation and Client shall not incur any liability as the result of actions of Verificent or Verificent's employees or agents. Client acknowledges and agrees that it shall have no right to bind Verificent to any commitment or obligation and Verificent shall not incur any liability as the result of actions of Client or Client's employees or agents.

e.) Force Majeure. Neither party shall be liable for any delay or default in performing hereunder if such delay or default is caused by conditions beyond its reasonable control including, but not limited to Acts of God, Government restrictions (including the denial or cancellation of any export or other necessary license), war, terrorism, insurrections and/or any other cause beyond the reasonable control of the party whose performance is affected.

PAYMENT INFORMATION


This Offer of Agreement will EXPIRE 30 Days after the presentation date on cover. Terms of payment are 15 Business Days from invoice date.

Please make checks payable to:

Verificient Technologies Inc.
1250 Broadway,
36th Floor, New York, NY 10001

For electronic payment setup please contact: billing@verificient.com

Signatures


The Board of Trustees of Illinois State
University Representative

Director of Purchases
Title

9/10/20
Date

DocuSigned by:

26CC9432581F4EC...

Rajnish Kumar, Verificient Technologies, Inc.

CEO
Title

9/9/2020
Date

Exhibit A Service Level Agreement

1. Coverage and Terminology.

This Service Level Agreement (the "SLA") defines the service levels for the Products and Services to be provided to Client under the terms of this Agreement through the Client Platform. Client and Verificent hereby agree to the terms of this SLA.

Availability: "Availability" means, with respect to any particular calendar month, the ratio obtained by subtracting Unscheduled Downtime during such month from the total time during such month, and thereafter dividing the difference so obtained by the total time during such month.

Scheduled Downtime" means the total amount of time during any calendar month, measured in minutes, during which the API and products and Services are unavailable due to planned system maintenance performed by or on behalf of Verificent in accordance with Schedule A. Client approved changes affecting the availability of the Application Platform and Products and Services outside of the scheduled system maintenance window will also be deemed Scheduled Down Time.

Unscheduled Downtime" means the total amount of time during any calendar month, measured in minutes, during which the Application Platform, API and Products and Services are unavailable for access, other than Scheduled Downtime.

2. Service Level Objective.

The Service Level Commitment for the API, Application Platform and Products and Services is one hundred percent (100%) Availability.

3. Remedy.

If the Availability of the Proctortrack service is less than ninety-nine point nine percent (99.9%), Verificent will issue a credit to the Client according to the following table:

| Availability Range in a Calendar Month | | Credit Percentage |
|--|--------|-------------------|
| 100.0% | 99.9% | 0% |
| 99.89% | 99.7% | 2% |
| 99.69% | 99.1% | 5% |
| | <99.0% | 10% |

* Note: The credit will be calculated based on the fee payable based on the number of students at the time of system being down. Credits for the actual number of students affected, where the estimated number of affected students is to be provided by the Client. The foregoing adjustment will be subject to the limitation set forth in Section 6 below.

4. Maintenance Procedure.

4.1 Verificent will use diligent efforts to announce scheduled maintenance as defined in the Maintenance Matrix outlined in Schedule A.

4.2 Verificient reserves the right to perform emergency maintenance without any prior notification, should it be deemed necessary to protect and maintain the security and integrity of the Platform; provided however, that such maintenance shall not be considered Scheduled Downtime.

5. Conditions to Receipt of Credit.

Client will not receive any credits under this SLA in connection with any failure or deficiency caused by or associated with:

5.1 Circumstances beyond Verificient's reasonable control, including, without limitation, acts of any governmental body, war, insurrection, sabotage, armed conflict, embargo, fire, or flood;

5.2 Failure of access circuits to the Verificient Network or its upstream providers, unless such failure is caused by Verificient;

5.3 Domain Name Server (DNS) issues outside the direct control of Verificient;

5.4 False SLA breaches reported as a result of outages or errors of any Verificient measurement system;

5.5 Verificient is not responsible for browser or DNS caching that may make the API URL appear inaccessible when others can still access it.

6. Credit Request and Payment Procedures.

In order to receive a credit, Client must make a request via email. If Verificient confirms the unavailability, then credits will be applied on the next billing cycle after Verificient's receipt of Client's credit request.

Note: Credits are not refundable and can be used only towards future learner licenses purchased.

7. Responsibilities of the Parties.

7.1 Client shall:

(a) Assist Verificient with their support responsibilities where the problem in question may be related to the integration of the Client platform and Proctortrack.

7.2 Verificient shall:

(b) Provide Level 1,2,3 support, as defined in Schedule B, for its proctoring services in accordance with the Triaged Support Metrics set forth in Section 8 below.

(c) Host its services and API at one or more secured hosting facilities having an interconnected and redundant network of equipment, uninterrupted power supply, back-up power systems, fire suppression system, and 24 hour physical security monitoring with automatic surveillance and intrusion detection. Verificient facilities will have iClientstry standard firewalls, as recommended by Google Cloud Platform, and other network solutions to help prevent intrusion to the facility via the Internet. Verificient will comply with all applicable laws regarding data privacy.

(d) Provide periodic updates and upgrades to the API and its services to address reported and/or known performance defects.

(e) Monitor, diagnose and repair the API and services in a timely fashion as set forth herein so that the API/service is available to operate as designed.

8. General Support and Service Incident Response Time Targets

Standard Hours of Support

“*Normal Business Hours*” are defined as Monday through Friday, 8:00AM Eastern time to 6:00PM Eastern time and exclude Verificient observed holidays (Federal Holidays Calendar of the USA).

Non-production work or work which is non-mission-critical will be performed during Normal Business Hours.

After Hours of Support

Production work and work which is Verificient mission-critical will be performed during After Hours as appropriate and as defined in the Triaged Response Metrics.

Emergency Support

Emergency support is provided 24x7x365 as in the Triaged Response Metrics below.

Response and correction times listed in this document reflect targets and are not, and should not be construed as, contractual obligations. Response time commitments do not promise a complete resolution within the stated time frames. Rather, the response time commitment is intended to indicate the estimated target time interval in which the Client will be contacted by Verificient after Verificient’s triaging and routing the issue to either the Client’s representative or Verificient technicians. Verificient technicians will begin working on the request to seek a resolution of the issue once communication with the Client has been established to verify the request and depending on the Priority Level as described below.

Note: In the event Client or Client’s representative is unable to be contacted regarding an Emergency Support issue, i.e., during times when the Client does not provide for support or when the Client is closed for business because of holidays, bad weather or other events that would prevent referral of an issue to Client, the referral will be made within the response times set below when the Client site is next open for business during Normal Business Hours.

Triaged Response Metrics

Note: The service response timings and correction timings described below are calculated based on the time elapsed since the time of receipt of a support ticket.

| Priority Level | Description – Normal Business Hours | Service Response to Client | Notification Schedule | Correction Time |
|----------------|--|--|---|-----------------|
| 1 | Emergency – A problem or issue impacting a significant group of customers or any mission-critical IT function. | 30 Minutes | Every 60 minutes after triage via email or phone until resolution | 24 hours |
| 2 | High – Non-critical but significant issue degrading the performance and reliability of supported services; however, the services are still operational. Support issues that could escalate to Emergency if not addressed quickly. | 60 Minutes | Updates via email | 48 Hours |
| 3 | Normal – Routine support requests that impact a single user or non-critical issues. | Make reasonable effort to provide Level 1 support within one hour of being contacted by the student or Client representative 24 hours a day x 7 days per week x 365 days a year by phone/ chat/ email. | Updates via email | 6 Hours |
| 4 | Low – A minor service issue or general inquiry. | 8 Hours | Updates via email | 8 weeks |

| Priority Level | Description – After Hours | Service Response to Client | Notification Schedule | |
|----------------|--|--|---|----------|
| 1 | Emergency – A problem or issue impacting a significant group of customers or any mission-critical IT function. | 4 Hours | Every 60 minutes after triage via email or phone until resolution | 24 hours |
| 2 | High – Non-critical but significant issue degrading the performance and reliability of supported services; however, the services are still operational. Support issues that could escalate to Emergency if not addressed quickly. | Next business day as defined under Normal Business Hours | Updates via email | 48 Hours |
| 3 | Normal – Routine support requests that impact a single user or non-critical issues. | Make reasonable effort to provide Level 1 support within one hour of being contacted by the student or Client representative 24 hours a day x 7 days per week x 365 days a year by phone/ chat/ email. | Updates via email | 72 Hours |
| 4 | Low – A minor service issue or general inquiry. | Next business day as defined under Normal Business Hours | Updates via email | 2 weeks |

Priority Level Examples

Support requests that are made to Verificient are prioritized based on the nature, severity, and time of the request.

Typically, clients report a non-critical issue by sending email to the account representative from Verificient, and a critical issue by sending email to the escalation-email that is assigned to the client. The escalation email is an email group that gets automatically forwarded to a group of Verificient team members as well as Verificient support. Any escalation email is responded well within SLA.

The following examples have been developed:

Priority 1 – Emergency

- API and/ or the Application Platform is down or the Products and Services are unavailable at all
- System anomalies that prevent access to API or Application Platform
- Inability to reach API endpoint or Application Platform for accessing oauth/tokens

Priority 2 – High

- API or Application Platform not functioning normally for critical functionality
- New trouble report that needs immediate attention and is affecting major component(s) of the API and/or Application Platform

Priority 3 – Normal

- General support requests not affecting broad range of users
- Known trouble report that has been previously reported

Priority 4 – Low

- Comments/suggestions from Client
- Change Requests

Schedule A**Standard Maintenance Windows**

The Standard Maintenance Matrix below applies to the API

Terminology

- **General Hosting Infrastructure** – Controlled by Verificient and encompasses the following: Firewalls, Routers, Switches, DNS, Proxy, Hosting Hardware, Operating Systems and Facilities.
- **Verificient Manager** – Verificient manager with direct responsibility for operation and maintenance.
- **CAB** – Change Advisory Board [General]. The Committee of Verificient stakeholders affected by the change. Depending on the scope of the change, the CAB may involve managers, directors, general managers, and potentially vice presidents.
- **CAB** – Change Advisory Board [Client]. The Committee of Client stakeholders. This committee will be defined by the Client. Examples are project managers or CIOs/Directors.

Standard Maintenance Matrix

| | Duration | Date | Anticipated service disruption | Notification | Final Approvals |
|----------------|-----------------|------------------------|---------------------------------------|---------------------|-------------------------|
| | | | | | |
| Weekly | 4 hours | TBD, beginning 00:01am | Low | 1 week prior | Verificient Manager/CAB |
| Monthly | 8 hours | TBD, beginning 00:01am | Likely | 2 week prior | CAB |

Notes:

- Even though change windows are defined they will only be used as necessary. Emergency changes required to restore a disrupted service will follow documented change processes and may not occur during a defined window.
- Total scheduled maintenance window for a given calendar month will not exceed 8 hours.

Schedule B

Definitions

Level 1 Support. Level 1 Support shall consist of initial end user support and includes telephonic or email information collection and analysis, identification of known problems/known resolutions, troubleshooting procedures and problem report documentation.

Level 2 Support. Level 2 Support shall consist of known problem resolution (including API call issues), and information searches of Verificient posted technical notes/information for use/dissemination in problem resolution. Additionally, Level 2 Support includes detailed documentation of support activities to include the generation of a failure analysis report if Level 3 Support is required.

Level 3 Support. Level 3 Support accepts and responds to problems presented by Level 2 Support, and assists in troubleshooting with Level 2 Support. Level 3 Support is responsible for ensuring that required fixes are made and ensuring that the fix is carried forward to the next release for the product. Level 3 Support will work directly upon a problem until the problem is resolved or a solution/work around is found and provided to the end users affected by the defect or error.

**University Contract Addendum
Standard Terms & Conditions**

Vendor Name: Verificent Technologies, Inc. (Proctortrack)
Contract/Quote/PO Number: B216256
Contract/Quote Date: August 3, 2020

The Board of Trustees of Illinois State University (University, ISU), a body corporate and politic of the State of Illinois and the Vendor are entering into a contract/agreement. For the parties' mutual convenience, the parties are using the Vendor's Contract Form dated []. This Addendum is incorporated into the Vendor's Contract Form and made an integral part thereof.

Vendor acknowledges and agrees that the Vendor's Contract Form may include some types of clauses or sales terms not acceptable to the University because of statutory restrictions or other policy considerations. If the Parties determine that any provision of this Addendum in this section is not applicable to this contract it may be stricken without affecting the remaining subsections.

1. Order of Precedence:

- a. To the extent, any provision in this Addendum is inconsistent or incompatible to the Vendor's Contract Form, the parties agree that this Addendum shall take precedence and the conflicting provisions of the Vendor's Contract Form shall be null and void.

2. Insurance:

- a. Illinois State University shall not be required to maintain any type of insurance for the Vendor's benefit.
- b. During all times relevant to this agreement, Vendor shall maintain and keep in effect applicable general liability insurance with limits acceptable to the Board of Trustees of Illinois State University, and shall provide proof of coverage upon request. Additional insurance coverage, as specified in subsection c below, may be required for this agreement depending upon the services provided by the Vendor.
- c. Additional insurance requirements:

3. Confidential Information:

- a. Confidential Information may be made available to the Vendor under this Agreement. The Vendor agrees to i) protect any Confidential Information from unauthorized use or disclosure; ii) disclose Confidential Information only to employees and other representatives who have agreed to comply with this agreement; and iii) use the Confidential Information only for the purposes authorized in this Agreement.
- b. All Confidential Information remains the property of the University.
- c. "Confidential Information" means any information provided by the University whether of a technical, business or other nature that is disclosed to the Vendor that is designated as Confidential by the University, that is protected from disclosure by applicable state or federal law, or that the Vendor has reason to believe is confidential, proprietary, or trade secret information of the University. Confidential Information does not include any information that: (a) was acquired lawfully by the Vendor or independently developed or acquired by the Vendor outside this Agreement; (b) is or becomes part of the public domain through no fault of the Vendor; or, (c) is authorized for release by written notice from University to Vendor; or (d) is otherwise required to be disclosed by law.
- d. ISU reserves the right to disclose contract purchase information as required by the State of Illinois Freedom of Information Act without pre-notification or approval from the Vendor.

4. **Governing Law:**

- a. Notwithstanding any provision to the contrary, the Vendor's Contract Form shall be governed and construed in accordance with the laws of the State of Illinois.
- b. For venue purposes, it is deemed that all obligations of the parties created hereunder are performed in McLean County, Illinois.

5. **Term:**

- a. Notwithstanding any provision, the term of the contract (including original and renewal terms) shall not exceed 10 years in total.
- b. No term will automatically renew regardless of stated required notification periods. All renewals will only be valid with the issuance of a University purchase order.

6. **Indemnification/Hold Harmless/Limitation of Liability:**

- a. It is understood and agreed that neither party to this agreement shall be liable for any negligent or wrongful acts, either of commission or omission, chargeable to the other, unless such liability is imposed by law, and that this agreement shall not be construed as seeking to either enlarge or diminish any obligation or duty owed by one party against the other or against a third party.
- b. The University shall not agree to any additional provision:
 - i. Requiring the University to indemnify or hold harmless the Vendor for any act or omission.
 - ii. Releasing the Vendor or any other entity or person from its legal liability, or limiting liability, or unlawful or negligent conduct or failure to comply with any duty recognized or imposed by applicable law.
 - iii. Requiring the University to make payments for total or partial compensation or payment for lost profit or liquidated damages if the Agreement is terminated before the end of the term.
 - iv. Limiting the liability of the Vendor for property damage or personal injury.
 - v. Binding the University to any arbitration or to the decision of any arbitration board, commission, panel or other entity.
 - vi. Obligating the University to pay costs of collection or attorney's fees.
 - vii. Granting the Vendor a security of interest in property of Illinois State University.
 - viii. Changing the time period within which claims can be made or actions can be brought under the laws of the State of Illinois.
 - ix. Requiring the University to waive the sovereignty of Illinois, waiver of any right to a jury trial, increasing the University's liability beyond that authorized in the Illinois Tort Claims Act, or authorizing Vendor to execute any settlement obligation that would bind the University without the consent of the Board of Trustees of Illinois State University and/or the Illinois Attorney General, as applicable.

7. **Payment Obligations:**

- a. All amounts, including but not limited to interest and/or late charges, owed by the University under the Vendor's Contract Form shall be made in accordance with applicable provisions of the Illinois Prompt Payment Act.

8. **Independent Contractor:** In Vendor's performance under this Agreement, the Vendor acts and will act as an independent contractor and not as an agent or employee of Illinois State University.

9. **Use of University Name & Facilities:** Vendor shall not use the name of the University in any written material including but not limited to brochures, letters, and circulars, without the prior written consent of University. If applicable, Vendor's use of University Facilities shall comply with all University policies, procedures and requirements.

10. **Force Majeure Provisions:** It is agreed that no claim for damages, losses or liability may be made by either party upon the occurrence of any circumstance, whether directly or indirectly, beyond the control of either party (including without limitation strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, business interruptions, disease, national or local emergency, government action or inaction, travel restrictions, loss or malfunctions of utilities, communications or computer (software and hardware) services (“a Force Majeure Event”)), to the extent that such circumstance delays or otherwise makes it illegal or impossible for a party to satisfy its performance obligations under the Agreement. In the event of a Force Majeure Event, the parties agree to negotiate in good faith any modifications of the terms of this Agreement that may be necessary or appropriate in order to resume performance obligations under the Agreement. However, the contract is subject to termination/cancellation by the non-declaring party, unless the parties mutually agree, in writing, to amend the Agreement. As soon as reasonably practicable after a Force Majeure Event occurs, the non-declaring party will provide a written notice to the other party (or parties) that specifies the Agreement termination date. In the event of a termination due to a Force Majeure Event, the Vendor will refund to University all recoverable expenses and 50% of any documented, reasonable, nonrecoverable expenses incurred by Vendor prior to the date of termination. Vendor agrees to provide University with documentation, acceptable to the University, in its sole discretion, that details reasonable, nonrecoverable expenses retained by Vendor relating to the Force Majeure Event.

11. **Certifications:**

- a. Vendor acknowledges and agrees that compliance with the attached Certifications and Additional Terms for the term of the contract and any renewals is a material requirement and condition of this contract. By executing the contract Vendor certifies compliance with this subsection in its entirety, and is under a continuing obligation to remain in compliance and report any non-compliance.
- b. This subsection, in its entirety, applies to subcontractors used on the contract. Vendor shall include these Standard Certifications in any subcontract used in the performance of the contract using the Standard Subcontractor Certification form provided by the University.
- c. If this contract extends over multiple fiscal years, including the initial term and all renewals, Vendor and its subcontractors shall confirm compliance with this section in the manner and format determined by the University by the date specified by the University and in no event later than July 1 of each year that this contract remains in effect.

12. **Compliance:**

- a. **Statutory Compliance:** All commitments by the University under this Agreement are subject to constitutional and statutory limitations and restrictions binding upon the University. Vendor agrees to comply with all applicable federal, state, and local laws, orders and regulations.
- b. **University Policies and Procedures:** Vendor agrees to comply with applicable University policies and procedures.
- c. **Nondiscrimination:** Vendor agrees to comply with all applicable federal and state nondiscrimination, equal opportunity and affirmative action laws, orders and regulations. Vendor shall not engage in unlawful discrimination or harassment against any person because of race, color, religion, sex, national origin, ancestry, age, marital status, protective order status, disability, unfavorable discharge from the military, or status as a disabled veteran or a veteran of the Vietnam era in the performance of this agreement.
- d. **Taxes:** The Agreement shall not obligate the University to pay taxes unless otherwise required by law.
- e. **Withholding/Legal Status:** Vendor shall provide true and correct information regarding its Federal Tax Payer Identification Number (FEIN), tax withholding status and legal status information. Any change in the Vendor’s tax withholding status must be immediately reported to the University by Vendor. If a W-8 or W-9 form is required, payment will not be made prior to receipt of a completed form.

f. **Export Control:**

- i. University agrees to comply with applicable U.S. laws, regulations, orders or other restrictions on exports and further shall not sell, license or re-export, directly, or indirectly, any information, data, products, items subject to the Agreement to any person or entity for sale in any country or territory, if, to the knowledge of University, such action would cause the Vendor to be in violation of any such laws or regulations now or hereafter in effect.
- ii. Vendor shall also notify the University if any of the individuals, equipment, data, services provided or other commitments made or subject to the Agreement are subject to the U.S. Export Administration Regulations, controlled by the International Traffic in Arms Regulations, subject to Office of Foreign Assets Control restrictions, or otherwise subject to export restrictions by a federal agency.

12. Attachments: Vendor agrees to complete and abide by the following documents attached hereto and made a part hereof:

- Data Security Addendum
- PCI Compliance
- _____

13. Assignment: This contract may not be assigned, in whole or in part, by either party without the prior written approval of the other party, except in connection with a merger or sale of all or substantially all of the assets of such party provided, however, that the obligations of such party under this Contract shall not be extinguished or otherwise affected by any such assignment.

Certifications and Additional Terms

Vendor acknowledges and agrees that compliance with this subsection in its entirety for the term of any resulting contract and any renewals is a material requirement and condition of the contract. By executing the contract Vendor certifies compliance with this subsection in its entirety, and is under a continuing obligation to remain in compliance and report any non-compliance.

This subsection, in its entirety, also applies to subcontractors used on this contract. Vendor shall include these Standard Certifications in any subcontract used in the performance of the contract using the Standard Subcontractor Certification form provided by the State.

If the contract extends over multiple fiscal years, including the initial term and all renewals, Vendor and its subcontractors shall confirm compliance with this section in the manner and format determined by the State by the date specified by the State and in no event later than July 1 of each year that the contract remains in effect.

If the Parties determine that any certification in this section is not applicable to the contract it may be stricken without affecting the remaining subsections.

1. As part of each certification, Vendor acknowledges and agrees that should Vendor or its subcontractors provide false information, or fail to be or remain in compliance with the Standard Certification requirements, one or more of the following sanctions will apply:
 - the contract may be void by operation of law,
 - the State may void the contract, and
 - the Vendor and its subcontractors may be subject to one or more of the following: suspension, debarment, denial of payment, civil fine, or criminal penalty.

Identifying a sanction or failing to identify a sanction in relation to any of the specific certifications does not waive imposition of other sanctions or preclude application of sanctions not specifically identified.

2. Vendor certifies it and its employees will comply with applicable provisions of the United States Civil Rights Act, Section 504 of the Federal Rehabilitation Act, the Americans with Disabilities Act, and applicable rules in performance of this contract.
3. **This applies to individuals, sole proprietorships, partnerships and LLCs, but is otherwise not applicable.** Vendor, if an individual, sole proprietor, partner or an individual as member of a LLC, certifies he/she is not in default on an educational loan. 5 ILCS 385/3
4. Vendor certifies that is has reviewed and will comply with the Department of Employment Security Law (20 ILCS 1005/1005-47) as applicable.
5. **This applies only to certain service contracts and does NOT include contracts for professional or artistic services.** To the extent there was a current Vendor providing the services covered by this contract and the employees of that Vendor who provided those services are covered by a collective bargaining agreement, Vendor certifies (i) that it will offer to assume the collective bargaining obligations of the prior employer, including any existing collective bargaining agreement with the bargaining representative of any existing collective bargaining unit or units performing substantially similar work to the services covered by the contract subject to its bid or offer; and (ii) that it shall offer employment to all employees currently employed in any existing bargaining unit who perform substantially similar work to the work that will be performed pursuant to this contract. This does not apply to heating, air conditioning, plumbing and electrical service contracts. 30 ILCS 500/25-80
6. Vendor certifies it has neither been convicted of bribing or attempting to bribe an officer or employee of the State of Illinois or any other State, nor made an admission of guilt of such conduct that is a matter of record. 30 ILCS 500/50-5
7. If Vendor has been convicted of a felony, Vendor certifies at least five years have passed after the date of completion of the sentence for such felony, unless no person held responsible by a prosecutor's office for the facts upon which the conviction was based continues to have any involvement with the business. 30 ILCS 500/50-10

8. If Vendor or any officer, director, partner, or other managerial agent of Vendor has been convicted of a felony under the Sarbanes-Oxley Act of 2002, or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953, Vendor certifies at least five years have passed since the date of the conviction. Vendor further certifies that it is not barred from being awarded a contract. 30 ILCS 500/50-10.5
9. Vendor certifies it is not barred from having a contract with the State based upon violating the prohibitions related to either submitting/writing specifications or providing assistance to an employee of the State of Illinois by reviewing, drafting, directing, or preparing any invitation for bids, a request for proposal, or request of information, or similar assistance (except as part of a public request for such information). 30 ILCS 500/50-10.5(e)
10. Vendor certifies that it and its affiliates are not delinquent in the payment of any debt to the State (or if delinquent have entered into a deferred payment plan to pay the debt. 30 ILCS 500/50-11, 50-60
11. Vendor certifies that it and all affiliates shall collect and remit Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with provisions of the Illinois Use Tax Act. 30 ILCS 500/50-12
12. Vendor certifies that it has not been found by a court or the Pollution Control Board to have committed a willful or knowing violation of the Environmental Protection Act within the last five years, and is therefore not barred from being awarded a contract. 30 ILCS 500/50-14
13. Vendor certifies it has neither paid any money or valuable thing to induce any person to refrain from bidding on a State contract, nor accepted any money or other valuable thing, or acted upon the promise of same, for not bidding on a State contract. 30 ILCS 500/50-25
14. Vendor certifies it has read, understands and is not knowingly in violation of the "Revolving Door" provisions of the Illinois Procurement Code. 30 ILCS 500/50-30
15. Vendor certifies that if it hires a person required to register under the Lobbyist Registration Act to assist in obtaining any State contract, that none of the lobbyist's costs, fees, compensation, reimbursements or other remuneration will be billed to the State. 30 ILCS 500/50-38
16. Vendor certifies that it will not retain a person or entity to attempt to influence the outcome of a procurement decision for compensation contingent in whole or in part upon the decision or procurement. 30 ILCS 500/50-38
17. Vendor certifies it will report to the Illinois Attorney General and the Chief Procurement Officer any suspected collusion or other anti-competitive practice among any bidders, offerors, contractors, proposers, or employees of the State. 30 ILCS 500/50-40, 50-45, 50-50
18. Vendor certifies that if it is awarded a contract through the use of the preference required by the Procurement of Domestic Products Act, then it shall provide products pursuant to the contract or subcontract that are manufactured in the United States. 30 ILCS 517
19. Vendor certifies steel products used or supplied in the performance of a contract for public works shall be manufactured or produced in the United States, unless the executive head of the procuring Agency/University grants an exception. 30 ILCS 565
20. Drug Free Workplace
 - 20.1 If Vendor employs 25 or more employees and this contract is worth more than \$5,000, Vendor certifies it will provide a drug free workplace pursuant to the Drug Free Workplace Act
 - 20.2 If Vendor is an individual and this contract is worth more than \$5000, Vendor certifies it shall not engage in the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance during the performance of the contract. 30 ILCS 580
21. Vendor certifies that neither Vendor nor any substantially owned affiliate is participating or shall participate in an international boycott in violation of the U.S. Export Administration Act of 1979 or the applicable regulations of the United States Department of Commerce. 30 ILCS 582

22. Vendor certifies that no foreign-made equipment, materials, or supplies furnished to the State under the contract have been or will be produced in whole or in part by forced labor or indentured labor under penal sanction. 30 ILCS 583
23. Vendor certifies that no foreign-made equipment, materials, or supplies furnished to the State under the contract have been produced in whole or in part by the labor of any child under the age of 12. 30 ILCS 584
24. This applies to information technology contracts and is otherwise not applicable. Vendor certifies that information technology, including electronic information, software, systems and equipment, developed or provided under this contract comply with the applicable requirements of the Illinois Information Technology Accessibility Act Standards as published at (www.dhs.state.il.us/iitaa). 30 ILCS 587
25. **This only applies to vendors who own residential buildings but is otherwise not applicable.** Vendor certifies, if it owns residential buildings, that any violation of the Lead Poisoning Prevention Act has been mitigated. 410 ILCS 45
26. Vendor certifies it has not been convicted of the offense of bid rigging or bid rotating or any similar offense of any state or of the United States. 720 ILCS 5/33 E-3, E-4
27. Vendor certifies it complies with the Illinois Department of Human Rights Act and rules applicable to public contracts, which include providing equal employment opportunity, refraining from unlawful discrimination, and having written sexual harassment policies. 775 ILCS 5/2-105
28. Vendor certifies it does not pay dues to or reimburse or subsidize payments by its employees for any dues or fees to any "discriminatory club." 775 ILCS 25/2
29. Vendor warrants and certifies that it and, to the best of its knowledge, its subcontractors have and will comply with Executive Order No. 1 (2007). The Order generally prohibits Vendors and subcontractors from hiring the then-serving Governor's family members to lobby procurement activities of the State, or any other unit of government in Illinois including local governments if that procurement may result in a contract valued at over \$25,000. This prohibition also applies to hiring for that same purpose any former State employee who had procurement authority at any time during the one-year period preceding the procurement lobbying activity.
30. Vendor certifies that if an individual, sole proprietor, partner or an individual as a member of a LLC, he/she has not received an early retirement incentive prior to 1993 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code or an early retirement incentive on or after 2002 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code. 30 ILCS 105/15a; 40 ILCS 5/14-108.3; 40 ILCS 5/16-133
31. Vendor certifies that it has read, understands, and is in compliance with the registration requirements of the Elections Code (10 ILCS 5/9-35) and the restrictions on making political contributions and related requirements of the Illinois Procurement Code. Vendor will not make a political contribution that will violate these requirements. 30 ILCS 500/20-160 and 50-37.
32. A person (other than an individual acting as a sole proprietor) must be a duly constituted legal entity and authorized to transact business or conduct affairs in Illinois prior to submitting a bid or offer. If you do not meet these criteria, then your bid or offer will be disqualified. 30 ILCS 500/20-43

Additional Terms:

Assignment and Subcontracting: (30 ILCS 500/20-120) Any contract may not be assigned or transferred in whole or in part by Vendor without the prior written consent of the University. For purposes of this section, subcontractors are those specifically hired by the Vendor to perform all or part of the work covered by the contract. Vendor shall describe the names and addresses of all subcontractors to be utilized by Vendor in the performance of the resulting contract, together with a description of the work to be performed by the subcontractor and the anticipated amount of money that each subcontractor is expected to receive pursuant to a subsequent contract. Vendor shall notify the University in writing of any additional or substitute subcontractors hired during the term of a resulting contract, and shall supply the names and addresses and the expected amount of money that each new or replaced subcontractor will receive pursuant to the Contract. All subcontracts must include the same certifications and disclosures that Vendor must make as a condition of their contract.

Audit / Retention of Records: (30 ILCS 500/20-65) Vendor and its subcontractors shall maintain books and records relating to the performance of the resulting contract or subcontract and necessary to support amounts charged to the University. Books and records, including information stored electronically, shall be maintained by the Vendor for a period of three years from the later of the date of final payment under the contract or completion of the contract, and by the subcontractor for a period of three years from the later of final payment under the term or completion of the subcontract. If federal funds are used to pay contract costs, the Vendor and its subcontractors must retain its records for a minimum of five years after completion of work. Books and records required to be maintained under this section shall be available for review or audit by representatives of: the University, the Auditor General, the Executive Inspector General, the Chief Procurement Officer, State of Illinois internal auditors or other governmental entities with monitoring authority, upon reasonable notice and during normal business hours. Vendor and its subcontractors shall cooperate fully with any such audit and with any investigation conducted by any of these entities. Failure to maintain books and records required by this section shall establish a presumption in favor of the University for the recovery of any funds paid by the University under the contract for which adequate books and records are not available to support the purported disbursement. The Vendor or subcontractors shall not impose a charge for audit or examination of the Vendor's books and records.

Availability of Appropriation (30 ILCS 500/20-60): Any resulting contract is contingent upon and subject to the availability of funds. The University, at its sole option, may terminate or suspend this contract, in whole or in part, without penalty or further payment being required, if the Illinois General Assembly or the federal funding source fails to make an appropriation sufficient to pay such obligation. If funds needed are insufficient for any reason, the University has discretion on which contracts will be funded.

Transportation Sustainability Procurement Program Act (30 ILCS 530/10 (b): All contracts for freight, small package delivery, and any transportation of cargo require providers to report the amount of energy the service provider consumed to provide those services to the State and the amount of associated greenhouse gas emissions, including energy use and greenhouse gases emitted as a result of the provider's use of electricity in its facilities and the energy use and greenhouse gas emissions by the service provider's subcontractors in the performance of those services.

Expatriated Entity: For purposes of this provision, an expatriated entity is an entity that meets the definition outlined in 30 ILCS 500/1-15.120. Per 30 ILCS 500/50-17, no business or member of a unitary business group, as defined in the Illinois Income Tax Act, shall enter into a contract with a State agency under this Code if that business or any member of the unitary business group is an expatriated entity unless the Chief Procurement Officer:

- a) Has determined the contract is awarded as a sole source; or
- b) the purchase is of pharmaceutical products, drugs, biologics, vaccines, medical supplies, or devices used to provide medical and health care or treat disease or used in medical or research diagnostic tests, and medical nutritionals regulated by the Food and Drug Administration under the Federal Food, Drug, and Cosmetic Act.

Sexual Harassment Policy: Per 30 ILCS 500/50-80, Vendor agrees that it has a sexual harassment policy that meets the requirements of or is otherwise in accordance with Section 2-105 of the Illinois Human Rights Act (775 ILCS 5/2-105). Vendor agrees to provide a copy of the policy to the University upon request.

Data Security Addendum

Vendor acknowledges and agrees that compliance with this Addendum in its entirety for the term of the contract and any renewals is a material requirement and condition of this contract. If the Parties determine that any clause in this section is not applicable to this contract it may be stricken without affecting the remaining subsections.

UNLESS SPECIFICALLY EXEMPTED, THE FOLLOWING CONFIDENTIALITY AND DATA SECURITY REQUIREMENTS APPLY TO UNIVERSITY DATA MADE AVAILABLE TO THE VENDOR UNDER THE TERMS OF THIS AGREEMENT.

REQUIRED CONDITIONS:

1. **Order of Precedence:**
 - a. To the extent, any provision in this Addendum is inconsistent or incompatible to terms included elsewhere in this Agreement, the parties agree that this Addendum shall take precedence and the conflicting provisions shall be null and void.
2. **Definitions:** The following terms shall be defined as follows for purposes of the Agreement.
 - i. The term **Personally Identifiable & Protected University Data** shall include an individual's name first or last, e-mail address or password in an unencrypted or redact form when used in combination one or more of the following data elements including: an (i) identification numbers (e.g. individual's government-issued identification number or social security number, driver's license number); (ii) information protected by federal or state law (e.g. ethnicity, race, religion, disability status, veterans status, etc.), (iii) financial data (including account numbers, credit card number, or other information that would permit access to an individual's financial data; (iii) biometric or health data; or (iv.) other data that if released could create a safety or security concern for the University or members of the University community.
 - ii. University Data includes any information provided by the University pursuant to the Agreement.
3. **University Data Security Protections:** Vendor shall provide commercially reasonable and adequate protection on its network and systems to protect University data from unauthorized access, acquisition, destruction, use modification or disclosure that shall include but not be limited to include firewalls and intrusion detection/prevention, authentication and encryption capabilities (including mobile devices, USB storage devices and backup media) in accordance with standard industry practices.
 - a. **Use of Data:** Vendor agrees that any and all University Data exchanged shall be used expressly and solely for the purposes enumerated in the Agreement.
 - b. **Data Transmission & Storage:** In general, Vendor shall implement administrative, physical and technical safeguards to protect University Data that are no less rigorous than accepted industry practices. Vendor agrees that Personally Identifiable and Protected University Data must be stored and transmitted in accordance with standard industry encryption standards. **Personally Identifiable & Protected University Data may not be processed or stored outside the U.S. but can be accessed from outside the U.S. for the sole purpose of providing support for the service only at times when such access is necessary to deliver the service.**
 - c. **Third-Party Assurances / Subcontractors:** Vendor may only release University Data to a subcontractor, affiliate or other third party with the designated University authorized official's prior written consent and provided that such subcontractor, affiliate, or other third party agrees to comply with all provisions of this Agreement.
 - d. **Return/Destruction of Data:**
 - i. As applicable and in accordance with law, within a reasonable time period after termination of this Agreement, for any reason, Vendor shall return or destroy (as specified by the University) all University data and indexing information received from University, or created or received by Vendor on behalf of the University. This provision shall apply to data in the possession of subcontractors or agents of Vendor.

- ii. Destruction of University data will be conducted in accordance with standard industry practices deemed acceptable by the University and Illinois State Record Act requirements.
 - iii. Vendor shall provide proof or certification of destruction of the data to the University's Information Security Officer.
 - e. **Data Processing Integrity:** As applicable, Vendor shall take commercially reasonable measures, including regular data integrity audits, to protect Data against deterioration or degradation of data quality and authenticity. Vendor will maintain appropriate contingency / recovery plans for any University Data in the event of loss of data or breach.
- 4. **Breach:**
 - a. **Notice:** Vendor, including any subcontractors, affiliates, and third parties, shall report in the most expedient timeframe possible but no later than 48 hours to the University Information Security Officer (i) any breach of security involving, or potentially involving, University Data, or (ii) any use or disclosure of University Data other than the Permitted Uses or breach of federal and state privacy laws. Vendor shall fully cooperate with the University with respect thereto. The University Information Security Officer can be contacted e-mailing informationsecurityoffice@illinoisstate.edu.
 - b. **Indemnification:** Vendor shall indemnify, defend and hold University harmless from and against all third-party claims, actions, suits and proceedings resulting from the release of any University Data, including the University's costs and reasonable attorneys' fees which arise as a result of Vendor's failure to safeguard **Personally Identifiable & Protected University Data** as provided in this Agreement. Any limitations of liability contained in the Agreement shall not be applicable to Vendor's obligations pursuant to this section.
 - c. **Compliance with Health Insurance Portability and Accountability Act ("HIPAA"):** If the Vendor is a "covered entity" as that term is defined under HIPAA, the Vendor shall enter into a Business Associate Agreement with the University. If the Vendor is not a "covered entity" as that term is defined under HIPAA, the Vendor acknowledges i) any students working at the Vendor's site or under the Vendor's supervision and control are part of the Vendor's "workforce" as defined in HIPAA Privacy Regulations at 43 C.F.R. 160.103, and ii) no Business Associate agreement is required between the University and Facility. The Facility will provide the necessary HIPAA training to students and students will be expected to comply with HIPAA and any other confidentiality requirements of the Facility.

ADDITIONAL DATA SECURITY TERMS & CONDITIONS:

Please check those terms and conditions applicable to this Agreement.

Vendor Certifications: Prior to performing services which require access to, transmission of and/or storage of **Personally Identifiable & Protected University Data**, Vendor will provide a third party certification of compliance with standard industry practices in a form acceptable to the University Information Security Officer.

FERPA. Vendor hereby acknowledge and agrees to comply with the limitations on the use and re-disclosure of **Personally Identifiable & Protected University Data** from education records as defined in 34 CFR § 99.00 et seq. Vendor further acknowledge and agrees that it shall maintain the confidentiality, and shall not re-disclose, personally Identifiable Information from education records except as authorized by the University in writing.

Health Insurance Portability and Accountability Act (“HIPAA”): If the Vendor is a “covered entity” as that term is defined under HIPAA, the Vendor shall enter into a Business Associate Agreement with the University. If the Vendor is not a “covered entity” as that term is defined under HIPAA, the Vendor acknowledges i) any students working at the Vendor’s site or under the Vendor’s supervision and control are part of the Vendor’s “workforce” as defined in HIPAA Privacy Regulations at 43 C.F.R. 160.103, and ii) no Business Associate agreement is required between the University and Facility. The Facility will provide the necessary HIPAA training to students and students will be expected to comply with HIPAA and any other confidentiality requirements of the Facility.

PCI Standards: If, in the course of providing services to University, Vendor has access to or will collect, access, use, store, process, dispose of or disclose credit, debit or other payment cardholder information, Vendor shall at all times remain in compliance with the Payment Card Industry Data Security Standard (“PCI DSS”) requirements, including remaining aware at all times of changes to the PCI DSS and promptly implementing all procedures and practices as may be necessary to remain in compliance with the PCI DSS, in each case, at Service Provider’s sole cost and expense.

Vendor Monitoring/Audit: With prior written notice, University (or its agent or affiliate) may audit Vendor’s use of the University Data to ensure that Vendor is in compliance with the terms of this Agreement. Vendor will keep complete and accurate records of all use of University data, including a log file of all employees with access to University Data. University may at its own expense and upon no less than five working days written notice audit Vendor’s use, access, or maintenance of the University Data. As part of such audit, University is entitled to obtain physical and electronic data concerning use of University’s data upon submitting a reasonable request to Vendor. Such audit will not interfere unreasonably with Vendor’s business activities, will be conducted no more often than once per calendar year at a location, unless a previous audit disclosed a material breach. If an audit reveals the Vendor has breached this Agreement, University may immediately terminate the Agreement.

Illinois State University reserves the right and the parties agree to amend the Data Security Addendum and related Agreement to address required data security requirement changes in law, including those changes that may apply under the European Union General Data Protection Regulations, effective May 25, 2018.