AGREEMENT FOR CONFIRMATION OF CLIENT SIGNED AUTHORIZATION AND TRANSFER AND USE OF INFORMATION

Section 1. Parties to the Agreement.

1.1   This agreement for confirmation of client signed authorization and transfer and use of information ("this Agreement") is entered into by and between the Montana Department of Labor and Industry, Unemployment Insurance Division, Contributions Bureau and _____, a Third-Party Administrator ("the TPA").

Section 2. Purpose of the Agreement.

2.1   The TPA is a business that is authorized to act on behalf of clients to represent their interests interacting with the Contributions Bureau. The purpose of this Agreement is to ensure that the TPA has on file a signed authorization from each client it represents that authorizes the TPA to file and pay Montana unemployment insurance quarterly reports and taxes and to receive confidential tax account information from the Contributions Bureau.

2.2   This Agreement shall serve to permit the TPA to participate in the Rate Exchange program and to receive or discuss quarterly report bulk-filing issues with Contributions' personnel.

Section 3. Limited license granted.

3.1   The information transfer that is the subject of this Agreement creates only a limited license for the use of the information transferred and does not give the TPA any ownership interests in the information itself. The license granted extends only to the TPA's use as described in this Agreement. The TPA is prohibited from granting access to the information transferred by this Agreement to any other persons that are not the employees of TPA or the represented client without the express, written consent of the Contributions Bureau.

3.2   The information that is transferred pursuant to this Agreement may only be used for the expressed purpose as originally intended.

3.3   The TPA may not disclose the information transferred pursuant to this Agreement to any non-employee agent of the TPA without the express, written consent of the Contributions Bureau.

Section 4. Description of information being transferred.

4.1   The information being transferred pursuant to this Agreement consists of confidential information necessary to assist the TPA with client billing and general unemployment insurance tax account questions and validation in connection with the payroll reports that the TPA files on its client' behalf.

4.2   The information being transferred pursuant to this Agreement will include Contribution tax rates and general data regarding the bulk filing and payment of UI quarterly reports.

Section 5. Duties.

5.1   The TPA agrees to provide a copy of a client's authorization, by mail or secure electronic submission within 24 hours upon request by the Contributions Bureau.

5.2   The TPA will notify the Contributions Bureau immediately if a client authorizes the TPA

to receive confidential information on its client's behalf or if a client withdraws its authorization.

5.3 The Contributions Bureau agrees to rely on this certification to periodically provide current unemployment insurance experience (tax) rates, verify state employer identification numbers assigned, and notify the TPA of errors or possible discrepancies in bulk filing files, at such times in such formats as may be mutually agreed upon.

Section 6. Non-disclosure of personal identifiers.
6.1 To the extent that any of the information being transferred pursuant to this Agreement includes or consists of personal identifiers (including, name and social security number), the TPA agrees that it will take all necessary steps to protect that personal identifier information from intentional or accidental disclosure to any person or entity not authorized by this Agreement. Those steps must include, but are not limited to providing:

6.1.1 locked file cabinets or safes to store written copies of the information when that information is not being actively used;
6.1.2 password protection for any information stored in an electronic database; and
6.1.3 training of those employees or agents with access to the information, concerning the acceptable uses of the information, and the securing and safeguarding of that information.
6.1.4 information is not to be copied, removed, or stored outside of the TPA's offices unless there is a business requirement approved by the Contributions Bureau.
6.1.5 access is based on business requirements and limited solely to specifically authorized TPA personnel.

6.2 The TPA acknowledges that it and its agents and employees may be subject to state and/or federal civil and criminal penalties in the event it makes unauthorized disclosures of legally protected information.

6.3 In the event of a breach of confidentiality or possible security breach, the TPA agrees to notify the Internal Security officer of the Contributions Bureau within 24 hours of discovery of the breach of confidentiality or possible security breach.

6.4 In the event a third party attempts to compel by way of legal process the disclosure of any of the information that is being transferred pursuant to this Agreement, the TPA agrees to immediately notify the Contributions Bureau of that fact. The TPA must reasonably cooperate with the Contributions Bureau in the event the Contributions Bureau elects to resist that legal compulsion. The TPA, however, is not required to (although it may do so at its own expense) retain counsel to resist that legal compulsion, once the TPA has notified the Contributions Bureau as provided by this paragraph.

6.5 The TPA agrees that it will maintain a system sufficient to allow an audit of the TPA's compliance with the security requirements imposed by this Agreement and 20 CFR § 603. The TPA agrees to cooperate with the Contributions Bureau in the performance of security audits performed pursuant to 20 CFR § 603.

Section 7. Indemnity.
7.1 The TPA agrees to defend, indemnify, and hold harmless the Contributions Bureau, the Unemployment Insurance Division, the Department of Labor and Industry, and the State of Montana from any claims arising out of the transfer of the information that is the subject of this

Agreement, or arising out of the use, misuse, or disclosure by the TPA of that information.

7.2   The TPA agrees to indemnify the Contributions Bureau and the Department of Labor and Industry for any losses or damages arising out of the TPA's violation of any of the terms of this Agreement.

Section 8. No warranty regarding the information.
8.1   Although the Contributions Bureau uses reasonable care in collecting the data or information in its records, the Contributions Bureau makes no express or implied warranty of the accuracy of the information that is being transferred to the TPA. The TPA acknowledges that it takes the information "as is", and that there is no express or implied warranty of accuracy or fitness for any purpose associated with the use of the data or information.

Section 9. Term of the contract.
9.1   The term of this Agreement runs from the date this Agreement is executed until it is terminated by either party per section 9.3.

9.2   In the event of a material breach of this Agreement, the Contributions Bureau may terminate this Agreement immediately if the Contributions Bureau determines that the TPA has violated its obligations under this Agreement, including failure to provide a copy of the requested authorization form, unauthorized disclosure to other third parties, or failure to properly secure confidential information.

9.3   Either the Contributions Bureau or the TPA may terminate this Agreement upon (sixty) 60 calendar days written notice to the other party.

9.4   The TPA agrees to maintain the confidentiality of the information transferred pursuant to this Agreement after the termination of this Agreement.

Section 10.   Entire document and modifications.
10.1   Except as provided by paragraph 10.2, this Agreement constitutes the entire agreement between the Contributions Bureau and the TPA with respect to the verification of client authorization and information transfer that is the subject of this Agreement. No other statements, understandings or promises serve to modify or explain the terms of this Agreement.

10.2   Only a document or writing, specifically referred to and identified as an exhibit to this Agreement, and attached as an exhibit to this Agreement, is incorporated by reference in this Agreement. Such an exhibit does not need to be signed by the parties but must be attached to this Agreement at the time of signing by both parties.
10.3   This Agreement may not be modified, except in a writing signed by both parties.

Section 11. Good faith and further cooperation.
11.1   The parties agree to act in good faith with respect to one another in the performance of this Agreement.

11.2   The parties agree to further cooperate as reasonably necessary to carry out the provisions

of this Agreement.

11.3   The parties designate the following individuals as their respective points of contact for the purposes of communications regarding this Agreement:

11.3.1   For the Contributions Bureau:

April Hislop
1315 E Lockey
PO Box 6339
Helena MT 59604
406-444-0939
AHislop@mt.gov

11.3.2   For the TPA:

Representative name: _____
TPA business name: _____
FEIN: _____
Address: _____
City, state, zip: _____
Phone: _____
Email: _____

Section 12.   Choice of law and venue.
12.1   The Contributions Bureau and the TPA agree that in the event of litigation concerning the terms of this Agreement, this Agreement will be construed in accordance with Montana law and venue will be in the First Judicial District of Montana, Lewis and Clark County.

Section 13.   Execution of counterpart originals.

13.1   This Agreement will be executed in two counterpart originals, any and all of which are to be deemed an "original" of this Agreement.   The person executing this Agreement on behalf of the TPA specifically represents to the Contributions Bureau that the person is authorized to act on behalf of the TPA and to bind the TPA in contract.

Approved for the TPA:

by:_____   date:_____
       (TPA authorized signature and title)

Approved for the Contributions Bureau:

by:_____   date:_____
       (UI representative and title)