NON-DISCLOSURE AGREEMENT

THIS NON-DISCLOSURE AGREEMENT is made as of _____by and among the South Carolina Department of Social Services (DSS) and it's employee/partner/contractor_____, and it's Data Recipient (Recipient)

WHEREAS, Recipient acknowledges that by signing in the space provided below they understand and agree without reservation the following:

(1) DSS receives private information (including Personal Information, Personally Identifying Information, Private Health Information) from individual clients, Federal Tax Information (FTI) from the Internal Revenue Service, as well as Social Security Administration information (SSA) from the Social Security Administration.

In the course of operations with DSS, Recipient could be exposed to these types of Information, or other privileged and confidential information, including private client data, or data relating to certain business services, and non-public byproducts thereof (all of which is collectively referred to hereafter as "Confidential Information") owned, controlled, safeguarded and/or developed by DSS, their respective employees, subcontractors and other affiliated parties;

(2) Recipient acknowledges that If they will be involved with the processing, handling, or transmission of DSS information, FTI, or SSA information, DSS must have the contractual option to perform onsite reviews of Recipient's data facility to ensure that the following meet DSS, IRS, and SSA requirements, including but not limited to:

a) safeguards for sensitive information,

b) computer system safeguards

c) security controls and measures to prevent, detect, and resolve unauthorized access to, use of, and disclosure of DSS information as well as for FTI and SSA-provided information, and

d) continuous monitoring of the Recipient's or agent's network infrastructures and assets.

(3) Recipient agrees that all information exchanged between the Parties will be presumed to be Confidential Information, unless it is otherwise known or discovered by either of the Parties to be in the public domain or already in public circulation;

(4) Recipient hereby affirms that they will not discuss or disclose in any medium (e.g. electronic, graphic, written or oral, etc.) to any individual, entity or other third party any Confidential Information that is received from participation in "rounds" with DSS and others during the course and scope of the Parties' association without the express written prior authorization of DSS.

(5) Recipient acknowledges and understands that if they access, use, or disclose DSS information, FTI, or SSA information in a manner or purpose not authorized by the Agreement, they may be subject to both civil and criminal sanctions pursuant to applicable Federal and South Carolina statutes and regulations.

DSS information is protected by statutes and regulations in the South Carolina Code of Laws, including Section 63-7-1990, 1991, et seq. Misuse of DSS information could subject Recipient to criminal penalties and/or civil actions.

For FTI, the Internal Revenue Code (IRC) Section 6103 prohibits the disclosure of information contained on federal tax returns and reports. In handling Federal Tax Information obtained from the IRS, unlawful disclosure of returns or return information is punishable under the criminal and civil provisions of Sections 7213, 7213A and 7431 of the IRC. Pursuant to Section 7213, any willful unauthorized disclosure of this information is a felony punishable by a $5,000.00 fine, or imprisonment of up to five years, or both, together with the costs of prosecution. Moreover, pursuant to Section 7213A, any willful unauthorized inspection of returns or return information is punishable upon conviction by a fine of up to $1,000.00, imprisonment of up to one year, or both, together with the costs of prosecution. Additionally, Section 7431 permits a taxpayer to bring an action for civil damages against you for an unauthorized disclosure of return or return information whether the disclosure was deliberate or negligent. A taxpayer may recover punitive damages, as well as actual damages, the costs of the action, and sometimes attorney fees. However, in no case is a taxpayer entitled to recover less than the sum of $1,000.00 in damages for each instance of unauthorized disclosure and/or inspection. Additionally, under Section 12-54-220, any information that is obtained from either the IRS or other states is not subject to disclosure.

Regarding SSA information, pursuant to the Privacy Act of 1974, any officer or employee of an agency, who by virtue of his employment or official position, has possession of, or access to, agency records containing PII protected by the Privacy Act of 1974, and who knowing that disclosure of the material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than $5,000." 5 U.S.C. § 552a(i)(1).

Further, "Any officer or employee of any agency who willfully maintains a system of records without meeting the notice requirements of subsection (e)(4) of this section shall be guilty of a misdemeanor and fined not more than $5,000." 5 U.S.C. § 552a(i)(2).

(6) If Recipient is a vendor or contractor, they acknowledges the duty to provide the state agency with a current list of the employees of such contractors and agents with access to DSS data, FTI, and SSA information and upon request, to provide such lists to appropriate representatives from SSA or IRS.

FURTHERMORE, RECIPIENT UNDERSTANDS AND AGREES that a breach of the preceding terms of this non-disclosure agreement may result in termination of employment, of any applicable contract, and legal action as appropriate.

Acknowledged by:

_____

RECIPIENT

Date: _____

Title: