



Amendment Approval Form

Contract Between:

Northrop Grumman Systems Corporation

7575 Colshire Drive
McLean, VA 22102-7508

and

The Commonwealth of Virginia

11751 Meadowville Lane
Chester, VA 23836

Contract Number	VA-051114-NG
Amendment Number	83
Description of Contract Change – Provide a brief description of contract change	Incorporate Exhibit 7 to IRS Publication 1075
Section(s) of CIA Referenced – Identify section(s) of CIA modified, including Attachments and Schedules	<ul style="list-style-type: none">• Section 20.1 (Legal Compliance, General)• Section 20.1.2 (Federal Tax Information) [new]• Schedule 20.1.2 [new]

This is Amendment No. 83 to the Comprehensive Infrastructure Agreement between the Commonwealth and Vendor originally dated as of November 14, 2005 and as subsequently amended (hereinafter, "Amendment No. 83"). The Commonwealth and Vendor have agreed to modify the Comprehensive Infrastructure Agreement as set forth below. Except as expressly modified in Amendment No. 83, the terms and conditions of the Agreement shall remain in full force and effect. Capitalized terms used but not defined in Amendment No. 83 shall have the meanings assigned to them in the Agreement. Amendment No. 83 is effective as of June 21, 2013.

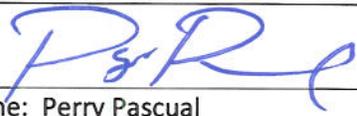
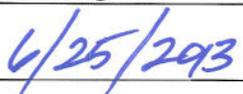
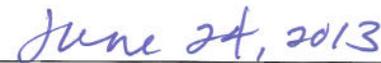
1. At the end of Section 20.1 of the Agreement, a new section is added as follows.

"20.1.2 Federal Tax Information

In accordance with 26 USC § 6103(n) and in accordance with the provisions contained in 26 CFR 301.6103(n)-1, this Agreement incorporates Exhibit 7 to IRS Publication 1075. Vendor agrees to comply with, and assume responsibility for compliance by Vendor Personnel with, the requirements set forth in Schedule 20.1.2."

2. Schedule 20.1.2 is added to the Agreement as set forth in Exhibit A hereto. Schedule 20.1.2 supersedes and replaces the Memorandum of Understanding on Safeguarding Federal Tax Returns and Return Information executed by the Parties on March 1, 2010.
3. Vendor acknowledges having received a copy of the Memorandum of Agreement on Safeguarding Federal Tax Information between the Department of Taxation and VITA, which VITA executed on October 1, 2010, along with the appendices thereto (the "MOA"). The Parties will work together to update the Procedures Manual, amend the Agreement, and/or utilize the Work Request process as may be necessary for performance of the Agreement in compliance with the MOA.

The Parties have executed this Amendment No. 83 on the dates indicated below.

VITA for the Commonwealth of Virginia	Northrop Grumman Systems Corporation
By: 	By: 
Name: Perry Pascual	Name: Roxanne Esch
Contract Manager	Director, Contracts
Date: 	Date: 

**SCHEDULE 20.1.2
TO THE
COMPREHENSIVE INFRASTRUCTURE AGREEMENT
Federal Tax Information**

As used herein, "Returns" and "Return Information" shall have the same meaning given those terms in 26 U.S.C. 6103(B). "Federal Tax Information" (FTI) as used herein means Returns and Return Information. Other capitalized terms used but not defined herein shall have the meanings assigned to them in the Agreement.

The provision of Services to certain Eligible Customers (including the Virginia Department of Taxation and the Virginia Department of Social Services) requires incorporation of Federal Tax Information safeguards language (as required by the IRS in IRS Publication 1075 and safeguards audits). Accordingly, Vendor agrees to comply with, and assume responsibility for compliance by Vendor Personnel with, the following requirements:

1. All work involving Vendor access to Federal Tax Information, or the processing, storing, or transmitting of Federal Tax Information, will be done under the supervision of Vendor or Vendor's employees.
2. Any Return or Return Information made available to Vendor in any format shall be used only for the purpose of carrying out the provisions of the Agreement. Information contained in such material will be treated as confidential and will not be disclosed, divulged, or made known in any manner to any person except as may be necessary in the performance of the Agreement and permitted by the Agreement and law. Disclosure to anyone other than an officer or employee of Vendor will be prohibited.
3. All Returns and Return Information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output will be given the same level of protection as required for the source material.
4. Vendor certifies that, at the time the work is completed, the data processed during the performance of the Agreement will be completely purged from all data storage components of Vendor's computer facility, and no output will be retained by the Vendor. If immediate purging of all data storage components is not possible, any IRS data remaining in any storage component will be safeguarded to prevent unauthorized disclosures.
5. Any spoilage or any intermediate hard copy printout that may result during the processing of IRS data will be given to the relevant Eligible Customer or its designee. When this is not possible, Vendor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts, and will provide the Eligible Customer or its designee with a statement containing the date of destruction, description of material

destroyed, and the method used. Eligible Customers are to identify designees to Vendor in writing prior to such processing.

6. All computer systems receiving, processing, storing, or transmitting Federal Tax Information must meet the requirements defined in IRS Publication 1075. To meet functional and assurance requirements, the security features of the environment must provide for the managerial, operational, and technical controls. All security features must be available and activated to protect against unauthorized use of and access to Federal Tax Information. To the extent possible, the Parties will work together in advance to ensure understanding and definition of applicable requirements and security features.
7. No work involving Federal Tax Information furnished under the Agreement will be subcontracted without prior written approval of the IRS and the Commonwealth. The Commonwealth shall be responsible for obtaining IRS approval. To the extent necessary, Vendor will cooperate with the Commonwealth in connection with obtaining such approval. After the requisite approval, Vendor will proceed in accordance with the Agreement with respect to the work and subcontracting.
8. Vendor will maintain a list of employees authorized access. Such list will be provided to the Commonwealth and, upon request, to the IRS reviewing office.
9. The Commonwealth, acting through the Virginia Information Technologies Agency (VITA), will have the right to exercise its termination rights under the Agreement if Vendor fails to provide the safeguards described above.
10. The IRS and the Commonwealth shall have the right to send representatives into the offices and plants of Vendor for inspection of the facilities and operations provided for the performance of any work under the Agreement involving Vendor access to Federal Tax Information or the processing, storing, or transmitting of Federal Tax Information. On the basis of such inspection, specific measures may be required in cases where Vendor is found to be noncompliant with contract safeguards.

The Parties acknowledge the following, which is in Exhibit 7 of IRS Publication 1075:

- A. Each officer or employee of any person to whom Returns or Return Information is or may be disclosed will be notified in writing by such person that Returns or Return Information disclosed to such officer or employee can be used only for a purpose and to

the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as 5 years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized further disclosure of Returns or Return Information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRC sections 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.

- B. Each officer or employee of any person to whom Returns or Return Information is or may be disclosed shall be notified in writing by such person that any Return or Return Information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the contract. Inspection by or disclosure to anyone without an official need to know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of Returns or Return Information may also result in an award of civil damages against the officer or employee in an amount equal to the sum of the greater of \$1,000 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. These penalties are prescribed by IRC section 7213A and 7431.
- C. Additionally, it is incumbent upon Vendor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific 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.

- D. Granting a contractor access to FTI must be preceded by certifying that each individual understands the agency's security policy and procedures for safeguarding IRS information. Contractors must maintain their authorization to access FTI through annual recertification. The initial certification and recertification must be documented and placed in the agency's files for review. As part of the certification and at least annually afterwards, contractors should be advised of the provisions of IRC Sections 7431, 7213, and 7213A (see Exhibit 6, IRC Sec. 7431 Civil Damages for Unauthorized Disclosure of Returns and Return Information and Exhibit 5, IRC Sec. 7213 Unauthorized Disclosure of Information). The training provided before the initial certification and annually thereafter must also cover the incident response policy and procedure for reporting unauthorized disclosures and data breaches. (See Section 10) For both the initial certification and the annual certification, Vendor should sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the security requirements.