

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

This Confidentiality and Non-Disclosure Agreement ("Agreement") is entered into by and between Data-Systems International, Inc. ("VENDOR") and Arkansas State University ("UNIVERSITY").

WHEREAS, the parties wish to confirm their understandings with respect to the confidential nature of the relationship between the parties relating to the transmission, use, and protection of certain confidential data, it is hereby agreed as follows:

1. Confidential Information. VENDOR acknowledges that in the course of providing services to UNIVERSITY, VENDOR will be given or have access to confidential student and/or employee information ("Confidential Information") protected from disclosure by privacy laws. VENDOR, its employees, agents, contractors and subcontractors shall, in addition to their respective obligations hereunder, use best efforts at all times to adopt and follow procedures and practices to protect the confidentiality of the Confidential Information and prevent its disclosure to others without the express written consent of UNIVERSITY.

VENDOR specifically, acknowledges Federal privacy laws such as Gramm-Leach-Bliley Act (Title 15, United States Code, Sections 6801(b) and 6805(b)(2)) applicable to financial transactions and Family Educational Rights and Privacy Act (Title 20, United States Code, Section 1232g) applicable to student records and information from student records, The Health Insurance Portability and Accountability Act of 1996 pertaining to health related records.

VENDOR further acknowledges that UNIVERSITY'S willingness to disclose Confidential Information to VENDOR is predicated on VENDOR entering into committing to abide by the terms of this Agreement and all applicable privacy laws.

2. Nondisclosure. VENDOR, its employees, agents, contractors, and subcontractors shall use the Confidential Information solely in connection with performance by VENDOR of the services provided to UNIVERSITY and for no other purpose. Neither VENDOR nor any of its employees, agents, contractors, or subcontractors shall sell, release, transfer, reprint, duplicate, recreate, disclose or permit the disclosure to any other person or entity of any of the Confidential Information or of any files, compilation, study, report, or analysis or data base containing, based on, or derived from the Confidential Information without the express written consent of UNIVERSITY and in full compliance with applicable state and federal privacy laws.

VENDOR shall maintain the privacy of protected personal information and shall be financially responsible, if and to the extent that any security breach relating to protected personal information results from acts or omissions of VENDOR, or its personnel, for any notifications to affected persons (after prompt consultation with UNIVERSITY), and to the extent requested by UNIVERSITY, administratively responsible for such notification.

3. Disclosure Sought Under Legal Process. VENDOR shall immediately notify UNIVERSITY in writing of any subpoena, court order, or other legal process seeking or purporting to compel disclosure of any of the Confidential Information and shall challenge, oppose, or appeal any such subpoena, order, or legal process to the extent deemed appropriate by UNIVERSITY. In no event shall VENDOR voluntarily, without a court order, disclose or permit the disclosure of any of the Confidential Information in response to legal process unless

and until VENDOR has given the required notice to UNIVERSITY and VENDOR has exhausted any and all legal remedies available to it to limit or prevent the disclosure.

4. Return of Materials. Upon request of UNIVERSITY at any time VENDOR shall return all or such part of the Confidential Information as UNIVERSITY may designate to be returned. In addition, upon the completion of the services provided by VENDOR to UNIVERSITY, VENDOR shall return or destroy, as UNIVERSITY may instruct, all Confidential Information in VENDOR'S possession or control, whether in printed, electronic or any other format, including all duplicates and copies thereof of any files, compilation, study, report, analysis, or data base containing, based on or derived from the Confidential Information.

5. Loss of Access. VENDOR'S disclosure of Confidential Information to third parties without UNIVERSITY'S authorization, or VENDOR'S failure to return or destroy Confidential Information per Provision 4, above may result in the UNIVERSITY or the U.S. Department of Education denying VENDOR access to Confidential Information for a period of at least five years.

6. Immediate Notice. VENDOR shall give UNIVERSITY immediate notice of any unauthorized use or disclosure of the Confidential Information, or of any breach or threatened breach by VENDOR, or its employees, agents, contractors, or subcontractors of their obligations under this Agreement, upon learning of same.

7. Appropriate Forum. VENDOR and UNIVERSITY agree that this Agreement is entered into in the State of Arkansas and that the legal forums located in the State of Arkansas are the appropriate forums in the event any party seeks legal action or injunctive relief under this Agreement. Both parties consent to venue and personal jurisdiction in the appropriate forum in the State of Arkansas.

8. Termination. This Agreement shall survive the termination of the services to be provided by VENDOR or any other agreement by and between the parties.

9. Severability. All of the provisions of this agreement are severable. If any provision of this Agreement is rendered invalid or unenforceable by State or Federal statute or regulations or declared null and void by any court of competent jurisdiction, the remaining provisions of this Agreement will remain in full force and effect.

10. Entire Agreement Amendments. This Agreement is intended as the complete, final and exclusive statement of the parties with respect to the subject matter hereof, and supersedes any prior agreements or understandings between the parties hereto. This Agreement may be amended, modified or supplemented only by a written agreement signed by VENDOR and UNIVERSITY. Any waiver of the terms and conditions of this Agreement must be in writing signed by the party granting such waiver and shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure to perform.

11. Original Copy. Signed originals of this agreement will be kept on file in the Office of the Information Technology, Arkansas State University, Jonesboro, Arkansas. Copy of signed originals will be provided to VENDOR.

IN WITNESS WHEREOF, and intending to be legally bound, the parties have executed this Agreement by their duly authorized representatives.

VENDOR

Signature: _____ Date: _____

PrintName: _____ Title: _____

ARKANSAS STATE UNIVERSITY-JONESBORO

Signature: _____ Date: _____

PrintName: _____ Title: _____