Addendum to the **Data Facts Agreement** for Services Contract

 **IRS – Tax Return Verification**

**Electronic Signature Requirements**

This document includes the requirements which all TRV requestors must adhere to in order to participate using electronic signatures for IRS Forms 4506-T or 4506T-EZ

An **electronic signature** is defined as an electronic sound, symbol, or process attached to or logically associated with a contract or other record and executed or adopted by a person with the intent to sign the record. The Electronic Signature Act as a general matter states the following:

1. Applies to all transactions if the consumer affirmatively consents to the use of electronic procedures unless the transaction is specifically excluded under the terms of the act itself.

2. Permits the use of an electronic signature in any transaction if both parties consent to the usage.

3. Dictates that any document in electronic form or executed with an electronic signature is fully enforceable.

4. Sets forth electronic record retention requirements.

5. Provides that electronic records are fully admissible in any legal proceedings.

**E-Sign Law Requirements**

There are currently five (5) requirements of the E-Sign law which the IRS requires:

1. The signature must be under the sole control of the individual. Password based signatures should be used in conjunction with PKI, signature stamps, electronic seals as well as simple click-wrap. For the IRS they are requesting use of the electronic signature.

2. The signature must be verifiable. Electronic signature technology will verify in real time using complex algorithms or through forensic analysis of the signature dynamics or measurements.

3. The signature must be unique to the individual. Each signature gathered must be unique to an individual regardless of whether it is a physical measurement like a fingerprint or virtual measurement like the click of a mouse.

4. The signature must establish the individual’s intent to be bound to the transaction. Signatory must be fully aware of the purpose for which the signature is being provided, regardless of underlying technology.

5. The signature must be applied in a tamper-evident manner. Industry standard encryption must be used to protect the users’ signatures and the integrity of the documents to which they are affixed.

**TRV End Users Must Follow the Framework for TRV Electronic Signature Requirements**

1. Authentication: End User must validate that the signer is who they say they are and that the document has made it into the correct hands. The most common form of authentication is “Two Factor, “referring to something the signer has (e.g. emailed successfully into their in-box) and something the signer knows (e.g. a pass code). Other common authentication options include: Knowledge based Authentication (KBA) where the signer is presented with multiple choice questions, and Single Sign-On (SSO), where “keys” or credentials are passed along from another web-site.

2. Consent: End User must get consent from signer to receive and sign documents electronically prior to moving forward with the viewing and signing ceremony. This is typically done with a one page consent form presented to the signer after authentication and prior to gathering signatures. Signer must either accept or reject the consent.

3. Electronic Signature: Must be an electronic symbol logically associated with a record and executed or adopted by a person with the intent to sign the record. For the purpose of the IRS, they will require an electronic signature in order to validate the name(s) against the name(s) listed on either the Form 4506-T or Form 4506T-EZ.

4. Tamper Proof Seal: After the electronic signature is collected, the document must be made tamper proof to ensure its validity.

**5. Non – Repudiation: An audit log of the entire electronic signing ceremony must accompany the document for future use as needed to non-repudiation. Data in the log should include: date and time of creation, IP address of the signer, document lifecycle notifications, result of authentication, result of consent, and result of each electronic signature in the document.**

6. Data Facts Retention of Documentation: All audit log information as well as the associated Form 4506-T or Form 4506T-EZ will be retained by Data Facts for a period of 2 years.

I agree to implement and adhere to the above controls

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Company Name

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Print Name / Title / Date

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Signature