

CONFIDENTIALITY AND DATA SECURITY AND PRIVACY

1. **Ner Chat Inc. “Company”** agrees that all information obtained in connection with the services provided for in this Agreement is deemed confidential information. Company shall not use, publish, discuss, disclose or communicate the contents of such information, directly or indirectly with third parties, except as provided for in this Agreement. Company further agrees that any information received by the Company employee(s) during the course of the services provided pursuant to this Agreement which concerns the personal, financial, or other affairs of School District, its employees, agents, clients, and/or students will be treated by the Company’s employee(s) in full confidence and will not be revealed to any other persons, firms, or organizations.
2. Company’s employee(s) acknowledges that s/he may receive and/or come into contract with personally identifiable information (“PII”), as defined in N.Y.S. Education Law § 2-d from records maintained by School District that directly relate to a student(s) (hereinafter referred to as “education record”) and classroom teachers and building principals overall APPR Ratings. The Company’s employee(s) understands and acknowledges that he shall have in place sufficient protection and internal controls to ensure that information is safeguarded in accordance with applicable law and regulations, and understands and agrees that it is responsible for complying with state data security and privacy standards for all PII from education records and overall APPR Ratings, and he shall:
 - i. limit internal access to education records and APPR Ratings to those individuals that are determined to have legitimate educational interests;
 - ii. not use the education records for any other purpose than those explicitly authorized in this Agreement;
 - iii. maintain reasonable administrative, technical and physical safeguards to protect the security, confidentiality and integrity of education records in its custody; and
 - iv. use encryption technology to protect data while in motion or in his custody from unauthorized disclosure using a technology or methodology specified by the secretary of the U.S. Department of Health and Human Services in guidance under § 13402(H)(2) of Public Law 111-5.
3. Company’s employee(s) further understands and agrees that s/he is responsible for submitting a data security and privacy plan to the School District prior to the start of the term of this Agreement. Such plan shall outline how all state, federal and local data security and privacy contract requirements will be implemented over the life of the agreement consistent with School District policy on data security and privacy. Further, such plan shall include a signed copy of the School District’s Parent’ Bill of Rights for Data Privacy and Security (“Bill of

Rights”) and the training requirement established by Company for any employees who will receive PII from student records (hereinafter referred to as “student data”) or overall APPR Ratings of classroom teachers and building principals.

4. Company understands that as part of the School District’s obligations under N.Y.S. Education Law § 2-d, Company is responsible for providing School District with supplemental information to be included in School District Bill of Rights. Such supplemental information shall be provided to School District within ten (10) days of execution of this Agreement and shall include:
 - i. the exclusive purposes for which the student data will be used;
 - ii. how Company will ensure that subcontractors, persons or entities that Company will share the student data and classroom teacher or building principal APPR data, if any, will abide by data protection and security requirements;
 - iii. that student data and classroom teacher or building principal APPR data will be returned or destroyed upon expiration of the Agreement;
 - iv. if and how a parent, student or eligible student may challenge the accuracy of the student data that will be collected;
 - v. where the student data or classroom teacher or building principal APPR data will be stored (described in such a manner as to protect data security); and
 - vi. the security protections taken to ensure such data will be protected, including whether such data will be encrypted.
5. In the event of a breach of the within confidentiality and data security and privacy standards provisions and unauthorized release of student data, Company’s employee(s) shall immediately notify the School District, without unreasonable delay and in no event more than seven days after the discovery of the breach, and advise the School District as to the nature of the breach and steps Company’s employee(s) has taken to minimize said breach. In the case of required notification to a parent or eligible student or classroom teacher or building principal, Company shall promptly reimburse the School District for the full cost of such notification. Company shall indemnify and hold the School District harmless from any claims arising from his breach of the within confidentiality and data security and privacy standards provisions.
6. Upon termination of this Agreement, Company shall return or destroy all confidential information obtained in connection with the services provided herein and/or student data and/or classroom teacher and/ or building principal APPR Rating. Destruction of the confidential information and/or student data and or classroom teacher and/or building Principal APPR Ratings shall be accomplished utilizing an approved method of confidential destruction, including shredding, burning or certified/witnessed destruction of physical materials and verified erasure of magnetic media using approved methods of electronic file destruction. The parties further agree that the terms and conditions set forth herein shall survive the expiration and/or termination of this Agreement.

**ADDENDUM AGREEMENT
GOVERNING DATA SHARING AND CONFIDENTIALITY
BETWEEN THE MILLBROOK CENTRAL SCHOOL DISTRICT AND
NER CHAT INC. or “THIRD PARTY CONTRACTOR”**

Including
Millbrook Plains Central School District’s Bill of Rights for Data Privacy and Security
And
Supplemental Information pursuant to 8 NYCRR § 121.3(c)

1. Confidential Information. Third-party contractor understands that in performing its Original Agreement with the District, it may have access to confidential information in the possession of the District, including, but not limited to names, facts or information about individuals, businesses and families. For purposes of this Addendum and the Original Agreement, it is agreed that the definition of Confidential Information includes all documentary, electronic or oral information made known to third-party contractor through any activity related to the Original Agreement. Third-party contractor agrees it, its officers, employees and/or agents shall not reveal, publish, discuss, disclose or communicate the content of such Confidential Information, directly or indirectly to any third-party, except as explicitly provided for in this Addendum or the Original Agreement. Third-party contractor understands that any unauthorized disclosure, publication and/or communication of such Confidential Information shall be considered a breach of this Addendum and the Original Agreement. Third-party contractor agrees that if he/she/it receives a subpoena for divulgence of Confidential Information, he/she/it shall notify the District prior to divulging the same. The parties further agree that the terms and conditions set forth in this Confidentiality section and all of its subparts shall survive the expiration and/or termination of the Original Agreement. Without limiting any of the foregoing statements in this paragraph, third party contractor further agrees:
 - a. To execute, comply with and incorporate as Appendix “A” to this Addendum, as required by New York State Education Law Section 2-d, the Parents’ Bill of Rights for Data Privacy and Security (“Bill of

Rights”) developed by the District and the supplemental information to the Bill of Rights as contained in Appendix “A” hereto.

2. Confidentiality Training. Third-party contractor acknowledges that federal and state laws protect the confidentiality of personally identifiable information of the students as well as its staff. Third-party contractor represents and warrants that any officers, employees or agents of third-party contractor, who will have access to personally identifiable student information or other confidential information of the District, has received or will receive training on the federal and state laws governing confidentiality of such data prior to obtaining access or any further access to such data.
3. Third-party contractor hereby affirms that personally identifiable information as defined by Education Law Section 2-d shall not be sold or released for any commercial or marketing purpose, as such sale or release is expressly prohibited by law.
4. Except as specifically amended herein, all of the terms contained in the Original Agreement are hereby ratified and confirmed in all respects and shall continue to apply with full force and effect.
5. The undersigned representative of third-party contractor hereby represents and warrants that the undersigned is the owner or an officer, director, or agent of third-party contractor with full legal rights, power and authority to enter into this Addendum on behalf of third-party contractor and to bind third-party contractor with respect to the obligations enforceable against third-party contractor in accordance with its terms.

NER CHAT INC.



Signature

Dylan Makani

Print Name

MILLBROOK CENTRAL SCHOOL DISTRICT



Signature

Elliot García

Print Name

APPENDIX "A"
MILLBROOK CENTRAL FREE SCHOOL DISTRICT
EDUCATION LAW § 2-D BILL OF RIGHTS FOR DATA PRIVACY AND SECURITY

The Millbrook Central School District is committed to protecting the privacy and security of student data and classroom teacher and building principal data. In accordance with New York Education Law § 2-d and its implementing regulations, the District hereby informs the school community of the following:

1. A student's personally identifiable ("PII") information, as defined by Education Law § 2-d and the Family Educational Rights and Privacy Act ("FERPA") cannot be sold or released for any commercial or marketing purpose. See 34 CFR § 99.3 for a complete definition of what constitutes PII under Education Law Section 2-d.
2. Parents (including legal guardians or personal in parental relationships) have the right to inspect and review the complete contents of their child's education record. Further, Eligible Students (students who have reached 18 years of age or older) have the right to review the complete contents of their education records stored or maintained by the educational agency.
3. State and federal laws and their implementing regulations (such as Education Law § 2-d, with regulations at 8 NYCRR Part 121, FERPA at 12 U.S.C. 1232g with regulations at 33 CFR Part 99 and the Individuals with Disabilities Education Act ["IDEA"] at 20 U.S.C. 1400 *et seq.*, with regulations at 34 CFR Part 300) protect the confidentiality of personally identifiable information.
4. Safeguards associated with industry standards and best practices, including but not limited to encryption, firewalls, and password protection, must be in place when PII is stored or transferred.
5. A complete list of all student data elements collected by the New York State Education Department is available at the following website: www.nysed.gov/data-privacy-security, or by writing to the Chief Privacy Officer, New York State Education Department, 89 Washington Avenue, Albany, New York 12234.
6. Complaints by parents, eligible students, classroom teachers, building principals or other staff of the educational agency about possible breaches or improper disclosures of PII shall be addressed through the submission of written complaints. Complaints should be directed in writing to: Scott Soifer, , Data Protection Officer, 5 Tideway Street, Kings Point, NY, 11024, (323) 391-6096, support@nerchat.com, complaints may be directed to the Chief Privacy Officer of the New York State Education Department, by mail at 89 Washington Avenue,

Albany, New York 12234; by email to privacy@nysed.gov; or by telephone at 518-474-0937.

7. Parents, eligible students, classroom teachers and building principals have the right to be notified in accordance with applicable laws and regulations if a breach or unauthorized release of PII occurs.

8. School District employees and officers who have access to PII shall annually receive data privacy and security awareness training. Such training shall include training on state and federal laws that protect PII and how to comply with such laws, as well as applicable policies, and safeguards associated with industry standards and best practices.

9. School District contracts with third-party contractors that receive PII will address statutory and regulatory data privacy and security requirements.

Supplemental Information to Bill of Rights Regarding Agreement between Millbrook Central School District or “the District” and Ner Chat Inc. or “Third Party Contractor”

In the course of complying with its obligations under the law and providing educational services to District residents, the Millbrook Central School District has entered into agreements with certain third-party contractors. Pursuant to these agreements, third-party contractors may have access to “student data” and/or “classroom teacher” or “building principal data,” as those terms are defined by applicable laws and regulations.

For each contract or other written agreement that the District enters into with a third-party contractor where the third-party contractor receives student data or classroom teacher or building principal data from the District, the following supplemental information will be included with this Bill of Rights:

1. The exclusive purposes for which the student data or classroom teacher or building principal data will be used by the third-party contractor, as defined in the contract is to provide services that benefit students and District, as expressly enumerated in the underlying Contract between the District and the third-party contractor.
2. The third-party contractor will ensure that the subcontractors, or other authorized persons or entities to whom the third-party contractor will disclose the student data or teacher or principal data, if any, will abide by all applicable data protection and security requirements, including but not limited to those outlined in applicable laws and regulations (e.g., FERPA; Education Law Section 2-d) and will not subcontract any services without the express prior approval of the District, and unless the subcontractor demonstrates its full compliance with state and federal privacy laws and regulations pertaining to the underlying Agreement.
3. The duration of the contract shall be 7/23/2025 the contract shall expire on 7/23/2027, unless earlier terminated pursuant to a provision contained therein.
4. Upon termination of the Agreement to which this is annexed, third-party contractor shall return or destroy all confidential information obtained in connection with the services provided, including any and all student data. Destruction of the confidential information and/or student

data shall be accomplished utilizing an approved method of confidential destruction, including shredding, burning or certified/witnessed destruction of physical materials and verified erasure of magnetic media using approved methods of electronic file destruction. Said data shall be returned by the third-party contractor to the District, or securely transitioned to a subsequent contractor at the request of the District.

5. A parent, eligible student, classroom teacher, or building principal may challenge the accuracy of the student data or classroom teacher or building principal data that is collected by following the procedures set forth in District policy, consistent with FERPA.

6. Student data or classroom teacher or building principal data will be stored in a safe and secure manner, consistent with industry standards and best practices, security protections shall be taken to ensure the data will be protected and data privacy and security risks mitigated.

7. The above-referenced data will be protected using encryption while in motion and at rest using a technology or methodology specified by the secretary of the U.S. Department of Health and Human Services in guidance under § 13402(H)(2) of Public Law 111-5.

The undersigned third-party contractor agrees to comply with the Millbrook Central School District's Bill of Rights and Supplemental Information contained hereinabove in all regards.

Ner Chat Inc.

BY:  _____

DATE: 7/23/2025