

Agreement to Examine Sales and Transactions and Use Tax Records

This Agreement (the "Agreement") is entered as of the 7th day of May, 2024 by and between the County of Santa Barbara with its principal offices at 105 E. Anapamu Street, Santa Barbara, CA 93101 ("Disclosing Party") and Civitas Advisors, Inc., a California corporation with its principal offices at 1102 Corporate Way, Suite 140, Sacramento, California 95831 ("Receiving Party") for the purpose of preventing the unauthorized disclosure of Confidential Information as defined below. Disclosing Party and Receiving Party ("Parties") are hereby entering into a confidential relationship with respect to the disclosure of certain sales or transactions and use tax records. This Agreement is to allow the Receiving Party to examine and analyze sales and transactions and use tax records ("Confidential Information") of the California Tax and Fee Administration ("CDTFA") pertaining to sales and transactions and use taxes collected for the Disclosing Party by the CDTFA related to the wine industry and use such records for purposes related to a wine business improvement district.

1. **Definition of Confidential Information.** For purposes of this Agreement, "Confidential Information" shall include all information or material regarding sales or transactions and use taxes collected by or on behalf of Disclosing Party which is being provided to Receiving Party.

2. **Disclosure of Confidential Information.** In the event Confidential Information is disclosed to any third party through no fault of Receiving Party, Receiving Party shall not be held liable for such disclosure.

3. **Obligations of Receiving Party.**

- A. Receiving Party shall hold and maintain the Confidential Information in strictest confidence. Receiving Party shall carefully restrict access to Confidential Information. Receiving Party shall not disclose to any third party the gross receipts of any person or entity paying sales or transactions and use taxes to the Disclosing Party, or the amount of sales or transactions and use tax generated by any person or entity. Receiving Party shall not for any purpose publish, copy, or otherwise disclose to others, or permit the use by others any Confidential Information. Receiving Party shall not permit any Confidential Information to be photocopied, scanned, transmitted via facsimile, photographed or reproduced in any way without the prior written approval of the Disclosing Party. Receiving Party shall return to Disclosing Party any and all records, notes, and other written, printed, or tangible materials in its possession pertaining to Confidential Information immediately if Disclosing Party requests it in writing. Any report prepared by Receiving Party using Confidential Information shall be written in such a way as to preclude the identification of individual business or individual tax payers by reading the report, provided that this shall not prohibit the preparation and distribution of a report to the Disclosing Party listing persons or entities without disclosure of their respective gross receipts or the amount of sales or transactions and use taxes generated.
- B. Receiving Party is authorized by this Agreement to examine sales or transactions and use tax records of the CDTFA related to the wine industry provided to the Disclosing Party

pursuant to contract under the Bradley-Burns Uniform Sales and Use Tax law Revenue and Taxation Code section 7200, et. seq.

- C. Receiving Party is required to disclose information contained in, or derived from, those sales or transactions and use tax records only to an officer or employee of the Disclosing Party who is authorized by resolution to examine the information.
- D. Receiving Party is prohibited from performing consulting services for a retailer, as defined in California Revenue & Taxation Code Section 6015, during the term of this Agreement, which is effective until the County terminates.
- E. Receiving Party is prohibited from retaining the information contained in, or derived from those sales or transactions and use tax records, after this Agreement has expired. Information obtained by examination of CDTFA records shall be used for purposes related to the collection of local sales or transactions and use taxes by the CDTFA pursuant to the contract between the County and the CDTFA, or for purposes related to other governmental functions of the Disclosing Party as set forth by the resolution adopted pursuant to Section 7056(b) of the Revenue and Taxation Code. The resolution shall designate the Receiving Party Account Manager as a person authorized to examine sales or transactions and use tax records and certify that this Agreement meets the requirements set forth above and in Section 7056(b)(1) of the Revenue and Taxation Code.
- F. Receiving Party shall not disclose any sales or transaction or use tax records or information to anyone not authorized by resolution adopted by the Santa Barbara County Board of Supervisors. Disclosure of sales or transaction and use tax records or information in violation of this Agreement, Revenue and Taxation Code Section 7056, or any other relevant legal provisions shall be cause for immediate termination of this Agreement.

4. **Time Periods.** The nondisclosure provisions of this Agreement shall survive the termination of this Agreement and Receiving Party's duty to hold Confidential Information in confidence shall remain in effect until Receiving Party receives from Disclosing Party written authorization to disclose any Confidential Information. Receiving Party shall provide all Confidential Information, including any information contained in or derived from the Confidential Information in any medium, to Disclosing Party within ten (10) days of receiving notice of termination of this Agreement.

5. **Relationships.** Nothing contained in this Agreement shall be deemed to constitute either party a partner, joint venturer or employee of the other party for any purpose.

6. **Severability.** If any provision, clause, sentence or paragraph of this Agreement shall be held invalid by a court of competent authority, such invalidity shall not affect the other provisions of this Agreement which can be given effect without the invalid provision or application, and to this end, the provisions of this Agreement are severable.

7. **Integration.** This Agreement expresses the complete understanding and entire agreement of the parties with respect to the subject matter and supersedes all prior proposals, agreements,

representations and understandings. This Agreement may not be amended except in a writing signed by both parties.

8. **Waiver.** The failure to exercise any right provided in this Agreement shall not be a waiver of prior or subsequent rights.

9. **Interpretation and Presumption.** This Agreement shall be interpreted in accordance with California law. It is the parties' express intent that no presumption shall arise from the identity of the drafter.

10. **Indemnification.** Receiving Party shall defend, indemnify, and hold harmless Disclosing Party from and against any and all claims, damages, losses, and causes of action which may be asserted against or suffered by Disclosing Party arising out of the receipt of Confidential Information by Receiving Party, its subsequent disclosure, and/or any breach by Receiving Party of its obligations under this Agreement.


11. **Execution in Counterparts.** This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same document.

12. **Nonassignment.** Receiving Party shall not assign or transfer its interest herein, or delegate or transfer any of its obligations hereunder, without the prior written consent of Disclosing Party.

13. **Applicable Law.** This Agreement shall be interpreted, governed and enforced in accordance with the laws of the State of California applicable to contracts made and performed in the State of California.

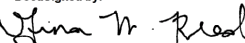
This Agreement and each party's obligations shall be binding on the representatives, assigns and successors of such party. Each party has signed this Agreement through its authorized representative.

CIVITAS ADVISORS, INC.

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(Signature)

John Lambeth, President

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E3C0E718-82F6-4ED3-895A-444BBEEFBC35

(Signature)

Gina Reed, Project Manager

ATTEST:
CLERK OF THE BOARD

COUNTY OF SANTA BARBARA:

By: _____
Deputy Clerk

By: _____
Steve Lavagnino, Chair, Board of Supervisors


Date: _____

APPROVED AS TO FORM:
BETSY M. SCHAFFER, CPA
AUDITOR-CONTROLLER

APPROVED AS TO FORM:
GREG MILLIGAN, RISK MANAGER
RISK MANAGEMENT

DocuSigned by:

By: _____
68A4E0415001043E
Deputy Auditor-Controller

DocuSigned by:

By: _____
85F555F0020048C
Risk Manager

APPROVED AS TO FORM:
RACHEL VAN MULLEM
COUNTY COUNSEL

DocuSigned by:

By: _____
67D28540196D426
Deputy County Counsel