



State of Minnesota Contract

SWIFT Contract No.: 187771

This Contract is between the State of Minnesota, acting through its "Commissioner of the Minnesota Department of Administration" ("State") and Rohn Industries dba Shred Right whose designated business address is 62 Hersey Street, St. Paul, MN 55114 ("Contractor"). State and Contractor may be referred to jointly as "Parties."

Recitals

1. State issued a solicitation identified as Ticket Destruction and Recycling for the Minnesota State Lottery, Contract Release No. T-675, SWIFT Event No. 11204 on October 30, 2020 to provide ticket destruction, related confidential records destruction, and recycling of the tickets and records, for the Minnesota State Lottery (MSL) on an as needed basis ("Solicitation");
2. Contractor provided a response to the Solicitation indicating its interest in and ability to provide the goods or services requested in the Solicitation; and
3. Subsequent to an evaluation in accordance with the terms of the Solicitation and negotiation, the Parties desire to enter into a contract.

Accordingly, the Parties agree as follows:

Contract

1. Term of Contract

- 1.1 Effective date. April 1, 2021, or the date the State obtains all required signatures under Minn. Stat. § 16C.05, subd. 2, whichever is later. The Contractor must not begin work under this Contract until this Contract is fully executed and the Contractor has been notified by the State's Authorized Representative to begin the work.
- 1.2 Expiration date. March 31, 2022, or until all obligations have been satisfactorily fulfilled, whichever occurs first. The contract may be extended for up to an additional 4 years, in increments as determined by the State, through a duly executed amendment.
- 1.3 Contract Use. This Contract is not exclusive and shall not be construed as guarantying a minimum or maximum amount of usage.

2. Contractor's Duties

The Contractor shall perform all duties described in this Contract to the satisfaction of the State.

3. Representations and Warranties

- 3.1 Under Minn. Stat. §§ 15.061 and 16C.03, subd. 3, and other applicable law the State is empowered to engage such assistance as deemed necessary.
- 3.2 Contractor warrants that it is duly qualified and shall perform its obligations under this Contract in accordance with the commercially reasonable standards of care, skill, and diligence in Contractor's industry, trade, or profession, and in accordance with the specifications set forth in this Contract, to the satisfaction of the State.
- 3.3 Contractor warrants that it possesses the legal authority to enter into this Contract and that it has taken all actions required by its procedures, by-laws, and applicable laws to exercise that authority, and to lawfully authorize its undersigned signatory to execute this Contract, or any part thereof, and to bind Contractor to its terms.

4. Time

The Contractor must comply with all the time requirements described in this Contract. In the performance of this Contract, time is of the essence.

5. Compensation and Conditions of Payment

- 5.1 Compensation. The State will pay for performance by the Contractor under this Contract in accordance with the breakdown of costs as set forth in Exhibit D which is attached and incorporated into this Contract.
- 5.2 Conditions of Payment. All duties performed by the Contractor under this Contract must be performed to the State's satisfaction and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations including business registration requirements of the Office of the Secretary of State. The Contractor will not receive payment for work found by the State to be unsatisfactory or performed in violation of federal, state, or local law.

6. Authorized Representatives, Acquisition Management Specialist, and Designated Contact Person.

The Minnesota State Lottery State Authorized Representative (MSL SAR) is Pamela K Mogensen, Buyer Supervisor, Minnesota State Lottery, 2645 Long Lake Road, Roseville, MN 551132433; Phone: 651-635-8105; Pam.Mogensen@mnlottery.com, or her successor or delegate, and has the responsibility to monitor the Contractor's performance.

The Acquisition Management Specialist (AMS) is Marsha West, Acquisition Management Specialist (AMS), 50 Sherburne Avenue, Suite 112, 112 Administration Building, St. Paul, MN 55155; 651-201-2452; marsha.west@state.mn.us or her successor or delegate, and is the staff person from the Minnesota Department of Administration identified as the contact person responsible for the contract administration of the Contract.

The Designated Contact Person (DCP) is the staff person or agent from a State department, agency, facility or institution who has authority to request and pay for services in accordance with the Contract. If the services are satisfactory, the Designated Contact Person (DCP) will certify acceptance on each invoice submitted for payment.

The Contractor's Authorized Representative is Matthew Johnson, Director of Sales, at the following business address and telephone number: 62 Hersey Street, St. Paul, MN 55114; Email: Matt@shredrightnow.com; Phone:

651-621-1863, or his successor. If the Contractor's Authorized Representative changes at any time during this Contract, the Contractor must immediately notify the State.

7. **Definitions.** For this Contract, the definitions contained in Exhibit E: Definitions for Contract of this Contract are applicable, are attached, and are incorporated into this contract.

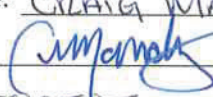
8. **Exhibits**

The following Exhibits are attached and incorporated into this Contract. In the event of a conflict between the terms of this Contract and its Exhibits, or between Exhibits, the order of precedence is first the Contract, and then in the following order:

- Exhibit A: Contract Terms
- Exhibit B: Insurance Requirements
- Exhibit C: Specifications, Duties, and Scope of Work
- Exhibit D: Pricing
- Exhibit E: Definitions for Contract
- Exhibit F: Minnesota IT Policy- Physical and Environmental Security Standard
- Exhibit G: Additional Attachments
 - Attachment E: Additional Information
 - Attachment F: Response Information

1. **Contractor**

The Contractor certifies that the appropriate person(s) have executed the Contract on behalf of the Contractor as required by applicable articles, bylaws, resolutions, or ordinances.

Print name: CRAIG MANDERY
 Signature: 
 Title: PRESIDENT Date: 2/8/2021

3. **Commissioner of Administration**

As delegated to The Office of State Procurement

Print name: Kia Xiong
 Signature: 
 Title: Acquisitions Supervisor Date: 2/26/2021

2. **State Agency**

With delegated authority

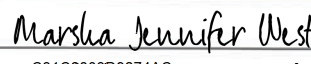
Print name: Marsha Jennifer West
 Signature: 
 Title: Acquisition Mgt Specialist Date: 2/26/2021

Exhibit A: Contract Terms

1. Prompt Payment and Invoicing.

1.1 Prompt Payment. The State will pay the Contractor pursuant to Minn. Stat. § 16A.124, which requires payment within 30 days following receipt of an undisputed invoice, or merchandise or service, whichever is later. Terms requesting payment in less than 30 days will be changed to read "Net 30 days." Notwithstanding the foregoing, the State may pay the Contractor in advance for purchases as allowed pursuant to Minn. Stat. §16A.065.

The payment for each order will only be made for goods received or services actually performed that have been accepted by the ordering entity, and meet all terms, conditions, and specifications of the Contract and the ordering document.

1.2 Invoicing. The invoice must be in the same format as the sample invoice form approved as Exhibit D, Supplement 1 with the Contract, unless an alternative format is approved in writing by the Acquisition Management Specialist, or delegate. See Exhibit D, Supplement 1 for a list of minimum invoice requirements.

2. Assignment, Amendments, Waiver, and Contract Complete.

2.1 Assignment. The Contractor may neither assign nor transfer any rights or obligations under this Contract without the prior consent of the State and a fully executed assignment agreement, executed and approved by the authorized parties or their successors.

2.2 Amendments. Any amendment to this Contract must be in writing and will not be effective until it has been executed and approved by the authorized parties or their successors.

2.3 Waiver. If the State fails to enforce any provision of this Contract, that failure does not waive the provision or its right to enforce it.

2.4 Contract Complete. This Contract contains all negotiations and agreements between the State and the Contractor. No other understanding regarding this Contract, whether written or oral, may be used to bind either party.

3. Termination.

3.1 Termination for Convenience. The State or Commissioner of Administration may cancel this Contract at any time, with or without cause, upon 30 days' written notice to the Contractor. Upon termination for convenience, the Contractor will be entitled to payment, determined on a pro rata basis, for services or goods satisfactorily performed or delivered.

3.2 Termination for Breach. If the Contractor fails to perform according to the contract terms and conditions, the State is authorized to immediately cancel the Contract or purchase order, or any portion of it, and may obtain replacement goods or services and charge the difference of costs to the defaulting Contractor. In the event of default, the State reserves the right to pursue any other remedy available by law. A Contractor may be removed from the vendors list, suspended or debarred from receiving a Contract for failure to comply with terms and conditions of the Contract, or for failure to pay the State for the cost incurred on the defaulted Contract.

3.3 Termination for Insufficient Funding. The State may immediately terminate this Contract if it does not obtain funding from the Minnesota Legislature, or other funding source; or if funding cannot be continued at a level sufficient to allow for the payment of the services addressed within this Contract. Termination must be by written notice to the Contractor. The State is not obligated to pay for any services that are provided after notice

and effective date of termination. However, the Contractor will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that dedicated funds are available. The State will not be assessed any penalty if the Contract is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The State must provide the Contractor notice of the lack of funding. This notice will be provided within a reasonable time of the State's receiving notice.

4. Force Majeure.

Neither party shall be responsible to the other or considered in default of its obligations within this Contract to the extent that performance of any such obligations is prevented or delayed by acts of God, war, riot, disruption of government, or other catastrophes beyond the reasonable control of the party unless the act or occurrence could have been reasonably foreseen and reasonable action could have been taken to prevent the delay or failure to perform. A party relying on this provision to excuse performance must provide the other party prompt written notice of the inability to perform and take all necessary steps to bring about performance as soon as practicable.

5. Indemnification.

5.1 In the performance of this Contract, the Indemnifying Party must indemnify, save, and hold harmless the State, its agents, and employees, from any claims or causes of action, including attorney's fees incurred by the State, to the extent caused by Indemnifying Party's:

- Intentional, willful, or negligent acts or omissions; or
- Actions that give rise to strict liability; or
- Breach of contract or warranty.

The Indemnifying Party is defined to include the Contractor, Contractor's reseller, any third party that has a business relationship with the Contractor, or Contractor's agents or employees, and to the fullest extent permitted by law. The indemnification obligations of this section do not apply in the event the claim or cause of action is the result of the State's sole negligence. This clause will not be construed to bar any legal remedies the Indemnifying Party may have for the State's failure to fulfill its obligation under this Contract.

5.2 Nothing within this Contract, whether express or implied, shall be deemed to create an obligation on the part of the State to indemnify, defend, hold harmless or release the Indemnifying Party. This shall extend to all agreements related to the subject matter of this Contract, and to all terms subsequently added, without regard to order of precedence.

6. Governing Law, Jurisdiction, and Venue.

Minnesota law, without regard to its choice-of-law provisions, governs this Contract. Venue for all legal proceedings out of this Contract, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

7. Contract Use by State Agencies.

To the extent applicable, the Contract does not prohibit state agencies from using their delegated purchasing authority to procure similar goods and services from other sources.

8. Warranty.

The Contractor warrants to the ordering entity that materials and equipment furnished under the Contract will be free from defects not inherent in the quality required or permitted, and that the work will conform to the requirements of the contract. Work not conforming to these requirements, including substitutions not properly approved and authorized in writing may be considered defective. The Contractor's warranty excludes remedy for damage or defect caused by abuse, modifications not executed by the Contractor, improper or insufficient

maintenance, improper operation, or normal wear and tear and normal usage. If requested, the Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment used.

All installation materials and labor shall be guaranteed for a period of one (1) year following the date of final acceptance. During the first year following acceptance, the Contractor shall, upon notification by the ordering entity of any malfunctions, make necessary repairs, including labor, travel, and materials, at the Contractor's expense.

9. Foreign Outsourcing of Work Prohibited.

All services under this contract shall be performed within the borders of the United States. All storage and processing of information shall be performed within the borders of the United States. This provision also applies to work performed by all subcontractors.

10. Delivery.

Contractor is obligated to deliver within the quoted lead times. If delivery is not made within that time frame, the State reserves the right to deem the Contractor in default.

Contractor must confirm delivery locations and requirements with the ordering entity. Prior to delivery, the Contractor is responsible for confirming in writing with the ordering entity that the delivery location will accommodate unloading the equipment. Contractor must notify the receiving entity at least 72 hours before delivery to allow for inspection and compliance. No delivery can be made on a State Holiday (as defined in Minn. Stat. § 645.44, subd. 5), on Saturday or Sunday, or after 4:00 p.m. Central Time on weekdays, without prior written approval by the receiving entity.

11. Risk of Loss.

The State is relieved of all risks of loss or damage to the goods and equipment during periods of transportation, installation by the Contractor, or while in the possession of the Contractor or its agent.

12. Purchase Orders and Purchasing Cards.

The parties agree that there is no minimum order requirements or charges to process an individual purchase order unless otherwise stated in the Contract. The Purchase Order number must appear on all documents (e.g., invoices, packing slips, etc.).

13. Items Offered as New.

All products, materials, supplies, replacement parts, and equipment offered and furnished must be new, of current manufacturer production, and must have been formally announced by the manufacturer as being commercially available, unless otherwise stated in this Contract.

14. Subcontracting and Subcontract Payment.

14.1 Subcontracting Allowed. A subcontractor is a person or company that has been awarded a portion of the Contract by Contractor. Only subcontractors that have been approved by the Contract Administrator can be used for this Contract.

After the effective date of the Contract, the Contractor shall not, without prior written approval of the Contract Administrator, subcontract for the performance of any of the Contractor's obligations that were not already approved for subcontracting when the Contract was awarded. During this Contract, if an approved subcontractor is determined to be performing unsatisfactorily by the Contract Administrator, the Contractor will receive written notification that the subcontractor can no longer be used for this Contract.

The provisions of the Contract shall apply with equal force and effect to all approved subcontractors engaged by the Contractor. Notwithstanding approval by the State, no subcontract shall serve to terminate or in any way affect the

primary legal responsibility of the Contractor for timely and satisfactory performances of the obligations contemplated by the Contract.

14.2 Subcontractor Payment. Contractor must pay any subcontractor in accordance with Minn. Stat. § 16A.1245.

15. Data Disclosure.

Under Minn. Stat. § 270C.65, subd. 3 and other applicable law, the Contractor consents to disclosure of its social security number, federal employer tax identification number, and Minnesota tax identification number, already provided to the State, to federal and state agencies, and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state laws which could result in action requiring the Contractor to file state tax returns, pay delinquent state tax liabilities, if any, or pay other state liabilities.

16. Government Data Practices.

The Contractor and State must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, (or, if the State contracting party is part of the Judicial Branch, with the Rules of Public Access to Records of the Judicial Branch promulgated by the Minnesota Supreme Court as the same may be amended from time to time) as it applies to all data provided by the State under this Contract, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Contractor under this Contract. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data governed by the Minnesota Government Practices Act, Minn. Stat. Ch. 13, by either the Contractor or the State.

If the Contractor receives a request to release the data referred to in this clause, the Contractor must immediately notify and consult with the State’s Authorized Representative as to how the Contractor should respond to the request. The Contractor’s response to the request shall comply with applicable law.

17. Intellectual Property Rights.

17.1 Definitions. For the purpose of this Section, the following words and phrases have the assigned definitions:

17.1.1 “Documents” are the originals of any databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, disks, or other materials, whether in tangible or electronic forms, prepared by the Contractor, its employees, agents, or subcontractors, in the performance of this Contract.

17.1.2 “Pre-Existing Intellectual Property” means intellectual property developed prior to or outside the scope of this Contract, and any derivatives of that intellectual property.

17.1.3 “Works” means all inventions, improvements, discoveries (whether or not patentable), databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, and disks conceived, reduced to practice, created or originated by the Contractor, its employees, agents, and subcontractors, either individually or jointly with others in the performance of this Contract. “Works” includes Documents.

17.2 Ownership. The State owns all rights, title, and interest in all of the intellectual property rights, including copyrights, patents, trade secrets, trademarks, and service marks in the Works and Documents created and paid for under this Contract. The Documents shall be the exclusive property of the State and all such Documents must be immediately returned to the State by the Contractor upon completion or cancellation of this Contract. To the extent possible, those Works eligible for copyright protection under the United States Copyright Act will be deemed to be “works made for hire.” The Contractor assigns all right, title, and interest it may have in the Works and the Documents to the State. The Contractor must, at the request of the State, execute all papers and

perform all other acts necessary to transfer or record the State's ownership interest in the Works and Documents.

17.3 Pre-existing Intellectual Property. Each Party shall retain ownership of its respective Pre-Existing Intellectual Property. The Contractor grants the State a perpetual, irrevocable, non-exclusive, royalty free license for Contractor's Pre-Existing Intellectual Property that are incorporated in the products, materials, equipment, deliverables, or services that are purchased through the Contract.

17.4 Obligations.

17.4.1 Notification. Whenever any invention, improvement, or discovery (whether or not patentable) is made or conceived for the first time or actually or constructively reduced to practice by the Contractor, including its employees and subcontractors, in the performance of this Contract, the Contractor will immediately give the State's Authorized Representative written notice thereof, and must promptly furnish the State's Authorized Representative with complete information and/or disclosure thereon.

17.4.2 Representation. The Contractor must perform all acts, and take all steps necessary to ensure that all intellectual property rights in the Works and Documents are the sole property of the State, and that neither Contractor nor its employees, agents, or subcontractors retain any interest in and to the Works and Documents. The Contractor represents and warrants that the Works and Documents do not and will not infringe upon any intellectual property rights of other persons or entities.

17.4.3 Indemnification. Notwithstanding any other indemnification obligations addressed within this Contract, the Contractor will indemnify; defend, to the extent permitted by the Attorney General; and hold harmless the State, at the Contractor's expense, from any action or claim brought against the State to the extent that it is based on a claim that all or part of the Works or Documents infringe upon the intellectual property rights of others. The Contractor will be responsible for payment of any and all such claims, demands, obligations, liabilities, costs, and damages, including but not limited to, attorney fees. If such a claim or action arises, or in the Contractor's or the State's opinion is likely to arise, the Contractor must, at the State's discretion, either procure for the State the right or license to use the intellectual property rights at issue or replace or modify the allegedly infringing works or documents as necessary and appropriate to obviate the infringement claim. This remedy of the State will be in addition to and not exclusive of other remedies provided by law.

18. Copyright.

The Contractor shall save and hold harmless the State of Minnesota, its officers, agents, servants and employees, from liability of any kind or nature, arising from the use of any copyrighted or noncopyrighted compositions, secret process, patented or nonpatented invention, article or appliance furnished or used in the performance of the Contract.

19. Assignment of Antitrust Rights.

Upon the request of the State of Minnesota, Contractor will irrevocably assign to State any state or federal antitrust claim or cause of action that the Contractor now has or which may accrue to the Contractor in the future, in connection with any goods, services, or combination provided by Contractor under the terms of this Contract.

20. Survivability of Orders.

In the event the term of any order or Professional/Technical Services work order ("Order") placed under this Contract extends past the termination or expiration of this Contract, the terms and conditions of this Contract shall remain in full force and effect as it applies to such order and will continue in effect for such order until the term of that order expires or the order is cancelled or terminated in accordance with the terms of this Contract.

21. Contractor's Documents.

Any licensing and maintenance agreement, or any order-specific agreement or document, including any pre-installation, linked or "click through" agreement that is allowed by, referenced within or incorporated within the Contract whenever the Contract is used for a State procurement, whether directly by the Contractor or through a Contractor's agent, subcontractor or reseller, is agreed to only to the extent the terms within any such agreement or document do not conflict with the Contract or applicable Minnesota or Federal law, and only to the extent that the terms do not modify, diminish or derogate the terms of the Contract or create an additional financial obligation to the State. Any such agreement or document must not be construed to deprive the State of its sovereign immunity, or of any legal requirements, prohibitions, protections, exclusions or limitations of liability applicable to this Contract or afforded to the State by Minnesota law. A State employee's decision to choose "accept" or an equivalent option associated with a "click-through" agreement does not constitute the State's concurrence or acceptance of terms, if such terms are in conflict with this section.

22. State Audits.

Under Minn. Stat. § 16C.05, subd. 5, the Contractor's books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by the State, the State Auditor, or Legislative Auditor, as appropriate, for a minimum of six years from the expiration or termination of this Contract.

23. Usage Reports.

Contractor is required to furnish Contract usage data (usage reports) to the Contract Administrator at the following email address: osp.usagereports@state.mn.us. Contract usage reports must consist of the total dollars spent by the State and other entities, broken down into two categories: State agencies and CPV members. The reporting frequency is at a minimum annually, or as otherwise requested. A final usage report is required at the expiration or termination the Contract. Failure to provide usage reports may result in contract cancellation. This term survives the expiration or termination of the Contract.

24. Publicity and Endorsement.

24.1 Publicity. Any publicity regarding the subject matter of this Contract must identify the State as the sponsoring agency and must not be released without prior written approval from the State's Authorized Representative. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, information posted on corporate or other websites, research, reports, signs, and similar public notices prepared by or for the Contractor individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

24.2 Endorsement. The Contractor must not claim that the State endorses its products or services.

25. Debarment by State, its Departments, Commissions, Agencies, or Political Subdivisions.

Contractor certifies that neither it nor its principals is presently debarred or suspended by the Federal government, the State, or any of the State's departments, commissions, agencies, or political subdivisions. Contractor's certification is a material representation upon which the Contract award was based. Contractor shall provide immediate written notice to the State's Authorized Representative if at any time it learns that this certification was erroneous when submitted or becomes erroneous by reason of changed circumstances.

26. Federal Funds.

26.1 Compliance with Federal Requirements. Federal money will be used or may potentially be used to pay for all or part of the goods, construction or services under the Contract. The Contractor is responsible for compliance with all federal requirements imposed on the funds and accepts full financial responsibility for any requirements imposed by the Contractor's failure to comply with federal requirements.

26.2 Certification regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion. Federal money will be used or may potentially be used to pay for all or part of the work under the Contract, therefore Contractor certifies that it is in compliance with federal requirements on debarment, suspension, ineligibility and voluntary exclusion specified in the solicitation document implementing Executive Order 12549. Contractor's certification is a material representation upon which the Contract award was based.

27. Contingency Fees Prohibited.

Pursuant to Minn. Stat. § 10A.06, no person may act as or employ a lobbyist for compensation that is dependent upon the result or outcome of any legislation or administrative action.

28. Certification of Nondiscrimination (in accordance with Minn. Stat. § 16C.053).

If the value of this Contract, including all extensions, is \$50,000 or more, Contractor certifies it does not engage in and has no present plans to engage in discrimination against Israel, or against persons or entities doing business in Israel, when making decisions related to the operation of the vendor's business. For purposes of this section, "discrimination" includes but is not limited to engaging in refusals to deal, terminating business activities, or other actions that are intended to limit commercial relations with Israel, or persons or entities doing business in Israel, when such actions are taken in a manner that in any way discriminates on the basis of nationality or national origin and is not based on a valid business reason.

29. Non-discrimination (in accordance with Minn. Stat. § 181.59).

The Contractor will comply with the provisions of Minn. Stat. § 181.59.

30. E-Verify Certification (in accordance with Minn. Stat. § 16C.075).

For services valued in excess of \$50,000, Contractor certifies that as of the date of services performed on behalf of the State, Contractor and all its subcontractors will have implemented or be in the process of implementing the federal E-Verify Program for all newly hired employees in the United States who will perform work on behalf of the State. Contractor is responsible for collecting all subcontractor certifications and may do so utilizing the E-Verify Subcontractor Certification Form available at <http://www.mmd.admin.state.mn.us/doc/EverifySubCertForm.doc>. All subcontractor certifications must be kept on file with Contractor and made available to the State upon request.

31. Affirmative Action Requirements

The State intends to carry out its responsibility for requiring affirmative action by its contractors.

31.1 Covered Contracts and Contractors. If the Contract exceeds \$100,000 and the Contractor employed more than 40 full-time employees on a single working day during the previous 12 months in Minnesota or in the state where it has its principal place of business, then the Contractor must comply with the requirements of Minn. Stat. § 363A.36 and Minn. R. 5000.3400-5000.3600. A contractor covered by Minn. Stat. § 363A.36 because it employed more than 40 full-time employees in another state and does not have a certificate of compliance, must certify that it is in compliance with federal affirmative action requirements.

31.2 General. Minn. R. 5000.3400-5000.3600 implements Minn. Stat. § 363A.36. These rules include, but are not limited to, criteria for contents, approval, and implementation of affirmative action plans; procedures for issuing certificates of compliance and criteria for determining a contractor's compliance status; procedures for addressing deficiencies, sanctions, and notice and hearing; annual compliance reports; procedures for compliance review; and contract consequences for non-compliance. The specific criteria for approval or rejection of an affirmative action plan are contained in various provisions of Minn. R. 5000.3400-5000.3600 including, but not limited to, Minn. R. 5000.3420-5000.3500 and 5000.3552-5000.3559.

31.3 Disabled Workers. The Contractor must comply with the following affirmative action requirements for disabled workers.

AFFIRMATIVE ACTION FOR DISABLED WORKERS

- 31.3.1 The Contractor must not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The Contractor agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled persons without discrimination based upon their physical or mental disability in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 31.3.2 The Contractor agrees to comply with the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.
- 31.3.3 In the event of the Contractor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with Minn. Stat. § 363A.36, and the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.
- 31.3.4 The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Commissioner. Such notices must state the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified disabled employees and applicants for employment, and the rights of applicants and employees.
- 31.3.5 The Contractor must notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Contractor is bound by the terms of Minn. Stat. § 363A.36, of the Minnesota Human Rights Act and is committed to take affirmative action to employ and advance in employment physically and mentally disabled persons.

31.4 Consequences. The consequences for the Contractor's failure to implement its affirmative action plan or make a good faith effort to do so include, but are not limited to, suspension or revocation of a certificate of compliance by the Commissioner, refusal by the Commissioner to approve subsequent plans, and termination of all or part of this Contract by the Commissioner or the State.

31.5 Certification. The Contractor hereby certifies that it is in compliance with the requirements of Minn. Stat. § 363A.36 and Minn. R. 5000.3400-5000.3600 and is aware of the consequences for noncompliance.

32. Equal Pay Certification.

If required by Minn. Stat. §363A.44, the Contractor must have a current Equal Pay Certificate prior to Contract execution. If Contractor's Equal Pay Certificate expires during the term of this Contract, Contractor must promptly re-apply for an Equal Pay Certificate with the Minnesota Department of Human Rights and notify the State's Authorized Representative once the Contractor has received the renewed Equal Pay Certificate. If Contractor claims to be exempt, the State may require Contractor to verify its exempt status.

33. Survival of Terms.

The following clauses survive the expiration or cancellation of this Contract: Indemnification; State Audits; Government Data Practices; Intellectual Property; Publicity and Endorsement; Governing Law, Jurisdiction, and Venue; and Data Disclosure. Any other Contract term that expressly states or by its nature shall survive, shall survive.

Exhibit B: Insurance Requirements

1. Notice to Contractor.

- 1.1 The Contractor is required to submit Certificates of Insurance acceptable to the State as evidence of insurance coverage requirements prior to commencing work under this Contract.
- 1.2 Contractor shall not commence work under the contract until they have obtained all the insurance described below and the State has approved such insurance. Contractor shall maintain such insurance in force and effect throughout the term of this Contract, unless otherwise specified in this Contract
- 1.3 The failure of the Contractor to provide a Certificate of Insurance, for the policies required under this Contract or renewals thereof, or failure of the insurance company to notify the State of the cancellation of policies required under this Contract shall not constitute a waiver by the State to the Contractor to provide such insurance.
- 1.4 The State reserves the right to immediately terminate this Contract if the Contractor is not in compliance with the insurance requirements and retains all rights to pursue any legal remedies against the Contractor. All insurance policies must be open to inspection by the State, and copies of policies must be submitted to the State's Authorized Representative upon written request.

2. Notice to Insurer.

- 2.1 The Contractor's insurance company(ies) waives its right to assert the immunity of the State as a defense to any claims made under said insurance.
- 2.2 Insurance certificate holder should be addressed as follows:

State of Minnesota
50 Sherburne Avenue, Room 112
St. Paul, MN 55155

3. Additional Insurance Conditions. The following apply to the Contractor, or the Contractor's subcontractor:

- 3.1 Contractor's policy(ies) shall be primary insurance to any other valid and collectible insurance available to the State with respect to any claim arising out of Contractor's performance under this Contract.
- 3.2 If Contractor receives a cancellation notice from an insurance carrier affording coverage herein, Contractor agrees to notify the State within five (5) business days with a copy of the cancellation notice, unless Contractor's policy(ies) contain a provision that coverage afforded under the policy(ies) will not be cancelled without at least thirty (30) days advance written notice to the State;
- 3.3 Contractor is responsible for payment of Contract related insurance premiums and deductibles;
- 3.4 If Contractor is self-insured, a Certificate of Self-Insurance must be attached;
- 3.5 Contractor's policy(ies) shall include legal defense fees in addition to its policy limits with the exception of professional liability.
- 3.6 Contractor's insurance companies must either (1) have an AM Best rating of A- (minus) and a Financial Size Category of VII or better, and be authorized to do business in the State of Minnesota or (2) be domiciled in

the State of Minnesota and have a Certificate of Authority/Compliance from the Minnesota Department of Commerce if they are not rated by AM Best.

3.7 An Umbrella or Excess Liability insurance policy may be used to supplement the Contractor's policy limits to satisfy the full policy limits required by the Contract.

4. Coverages. Contractor is required to maintain and furnish satisfactory evidence of the following insurance policies:

4.1 Commercial General Liability Insurance. Contractor is required to maintain insurance protecting it from claims for damages for bodily injury, including sickness or disease, death, and for care and loss of services as well as from claims for property damage, including loss of use which may arise from operations under the Contract whether the operations are by the Contractor or by a subcontractor or by anyone directly or indirectly employed by the Contractor under the contract. Insurance minimum limits are as follows:

\$2,000,000 – per occurrence

\$2,000,000 – annual aggregate

\$2,000,000 – annual aggregate – applying to Products/Completed Operations

The following coverages shall be included:

- Premises and Operations Bodily Injury and Property Damage
- Personal and Advertising Injury
- Blanket Contractual Liability
- Products and Completed Operations Liability
- **State of Minnesota named as an Additional Insured**, to the extent permitted by law

4.2 Commercial Automobile Liability Insurance. Contractor is required to maintain insurance protecting it from claims for damages for bodily injury as well as from claims for property damage resulting from the ownership, operation, maintenance or use of all owned, hired, and non-owned autos which may arise from operations under this contract, and in case any work is subcontracted the contractor will require the subcontractor to maintain Commercial Automobile Liability insurance. Insurance minimum limits are as follows:

\$2,000,000 – per occurrence Combined Single limit for Bodily Injury and Property Damage

In addition, the following coverages should be included: Owned, Hired, and Non-owned Automobile.

Evidence of Subcontractor insurance shall be filed with the Contractor.

4.3 Workers' Compensation Insurance. Statutory Compensation Coverage. Except as provided below, Contractor must provide Workers' Compensation insurance for all its employees and, in case any work is subcontracted, Contractor will require the subcontractor to provide Workers' Compensation insurance in accordance with the statutory requirements of the State, including Coverage B, Employer's Liability. Insurance **minimum** limits are as follows:

\$100,000 – Bodily Injury by Disease per employee

\$500,000 – Bodily Injury by Disease aggregate

\$100,000 – Bodily Injury by Accident

If Minn. Stat. § 176.041 exempts Contractor from Workers' Compensation insurance or if the Contractor has no employees in the State, Contractor must provide a written statement, signed by an authorized representative, indicating the qualifying exemption that excludes Contractor from the Minnesota Workers' Compensation requirements.

If during the course of the contract the Contractor becomes eligible for Workers' Compensation, the Contractor must comply with the Workers' Compensation Insurance requirements herein and provide the State with a certificate of insurance.

4.4 Professional Liability, Errors, and Omissions. This policy will provide coverage for all claims the contractor may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Contractor's professional services required under the contract. Insurance **minimum** limits are as follows:

\$2,000,000 - per claim or event

\$2,000,000 - annual aggregate

Any deductible will be the sole responsibility of the Contractor and may not exceed \$50,000 without the written approval of the State. If the Contractor desires authority from the State to have a deductible in a higher amount, the Contractor shall so request in writing, specifying the amount of the desired deductible and providing financial documentation by submitting the most current audited financial statements so that the State can ascertain the ability of the Contractor to cover the deductible from its own resources.

The retroactive or prior acts date of such coverage shall not be after the effective date of this Contract and Contractor shall maintain such insurance for a period of at least three (3) years, following completion of the work. If such insurance is discontinued, extended reporting period coverage must be obtained by Contractor to fulfill this requirement.

4.5 Privacy Liability Insurance (or equivalent). The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The Contractor shall maintain insurance to cover claims which may arise from failure of the Contractor to ensure the security of not public data stored on the State's documents, including but not limited to paper, microfilms, microfiche, magnetic computer tapes, cassette tapes, photographic negatives, photos, hard disks, floppy disks, and carbon sheets, while in the Contractor's care, custody, and control. Insurance minimum limits are as follows:

\$2,000,000 - Per Occurrence

\$2,000,000 - Annual Aggregate

The following coverage shall be included: State of Minnesota named as an Additional Insured unless the coverage is written under a Professional Liability policy.

Exhibit C: Specifications, Duties, and Scope of Work

1. GENERAL CONTRACTOR DUTIES AND REQUIREMENTS.

1.1 NAID™ Certificate.

Pursuant to Exhibit F: Minnesota IT Policy- Physical and Environmental Security Standard, the Contractor must be certified by the National Association for Information Destruction, Inc. (NAID™) for paper and electronic media. The Contractor may utilize an approved NAID™ certified subcontractor only any subcontracted services. The Contractor must follow all NAID™ certification criteria requirements while performing duties within the course of this Contract.

1.2 Recording.

The Contractor must be able to record the entire shredding process from several angles for the Minnesota State Lottery (MSL) viewing so that the total shredding process will be able to be viewed by the Minnesota State Lottery (MSL) staff. The recording must be done on digital format. The Contractor will deliver a digital copy or another mutually acceptable agreed upon alternative to both Parties (e.g. such as remotely viewing video archive footage via Contractor's website) of the destruction to the Minnesota State Lottery (MSL).

1.3 Audits.

Periodic inspections and audits may be conducted by the State to verify the accuracy of the Contractor's recyclable waste- paper shipments. If requested, the Contractor shall supply the name and address of the recycling manufacturer that will receive the shredded material.

1.4 Disaster Recovery Plan.

Contractor must have a written disaster recovery plan. The State reserves the right to review the Disaster Recovery Plan at any point during the Contract.

1.5 Facilities and Site Visits.

The State reserves the right to inspect the Contractor's or Subcontractor's facilities at any time during the Contract term if it is to the best interest to the State. Site visit(s) will be conducted by the Minnesota State Lottery (MSL)'s State Authorized Representative (MSL SAR). Site visits may be conducted during regular business hours, 8:00 a.m. through 4:30 p.m. Central Standard Time, Monday through Friday.

1.6 Adding Additional Related Services.

After execution of the Contract, the State, with mutual agreement of the Contractor, reserves the right to add additional related services to the contract through a fully executed amendment.

2. SCOPE OF WORK.

2.1 Scope. The Contractor must provide ticket destruction, related confidential records destruction, and recycling of the tickets and records, for the Minnesota State Lottery (MSL) on an as needed basis. The Contractor must work with the Minnesota State Lottery State Authorized Representative (MSL SAR), MSL staff, and Designated Contact Person (DCP) on all aspects of ticket destruction, related confidential records destruction, and recycling of the tickets and records. If any aspect of the contract is subcontracted, the Contractor must oversee all aspects of the subcontractor's work. Contractor will:

2.1.1 Recycling Required. All non-foil tickets and records must be recycled, not land filled, burned for energy recovery, or incinerated. Shredded material must be recycled into a re-saleable product. The current tickets are recyclable (with an exception as noted in Section 2.1.3 Standard Process for Foil Ticket Destruction) 10 PT C1S card stock material.

2.1.2 Standard Process for Non-foil Ticket and Record Destruction. The Minnesota State Lottery's (MSL's) standard process requirements for non-foil ticket and record destruction is described below in section 2.1.2.1 through 2.1.2.5.

2.1.2.1 Minnesota State Lottery (MSL) staff loads Contractor's truck with non-foil tickets and records that are documented and scheduled to be shredded.

2.1.2.2 Contractor's driver must sign Minnesota State Lottery (MSL) documentation identifying what skids they are transporting and the number on the seal. MSL staff will put the seal on the lift gate/lock after the truck is loaded.

2.1.2.3 Contractor's driver is to deliver tickets and records to shredding location and video tape on a CD, flash drive, or another mutually acceptable agreed upon alternative to both Parties (e.g. such as remotely viewing video archive footage via Contractor's website) the following tasks which are to be performed: the unloading of the truck, weighing of the pallets with tickets, writing the weight next to the pallet notation on the paperwork, and finally shredding of all tickets.

2.1.2.4 After the tickets and records have been shredded, the Contractor must sign all pages of the Minnesota State Lottery (MSL) documentation and send the documentation back to the Minnesota State Lottery's (MSL) Warehouse Manager with the seal and the CD, flash drive, or another mutually acceptable agreed upon alternative to both Parties (e.g. such as remotely viewing video archive footage via Contractor's website).

2.1.2.5 Contractor is to send the invoice to the Minnesota State Lottery's Purchasing Department. The Minnesota State Lottery's Purchasing Department will document the invoice and send it to the Warehouse Manager. Warehouse Manager will compare weights against the Contractor's invoice and accompanying paperwork and the Minnesota State Lottery documents that the Contractor returned.

2.1.3 Standard Process for Foil Ticket Destruction. For foil tickets, the process for Non-Foil Ticket Destruction (See Section 2.1.2) applies. If the Contractor removes the foil, that process must be digitally recorded on a CD, flash drive, or another mutually acceptable agreed upon alternative to both Parties (e.g. such as remotely viewing video archive footage via Contractor's website). In the event a third party is involved to remove the foil from the tickets so they can be pulverized and recycled, or, if the third party only removes the pulverized foil tickets for the Contractor and provides the incineration of the shredded pulverized foil tickets, the entire process must also be digitally recorded (e.g. CD, flash drive, or another mutually acceptable agreed upon alternative to both Parties such as remotely viewing video archive footage via Contractor's website), and that the recording be submitted to the Minnesota State Lottery (MSL) for review before any invoices will be processed for payment.

2.1.4 Lottery Scratch Off Tickets. The Majority of items to be shred are Minnesota lottery scratch off tickets. The paper used for these items is 10PT C1S card stock with latex and ultraviolet coating on each ticket. Throughout the life of the contract, the Minnesota State Lottery, may develop scratch tickets and/or game pouches that have a foil in/on them, which may need special equipment to separate the foil debris from the shredded ticket materials in order to recycle the non-foil portion of the tickets and/or pouches. If the Contractor cannot perform this service, the foil tickets and/or foil pouches would not be able to be recycled; however the Contractor would then need to shred, as per Sections 2.1.4.1 through 2.1.4.9, and bale the foil tickets and/or foil pouches and either incinerate them or shrink wrap them and provide a third party for incineration.

- 2.1.4.1 Minnesota State Lottery Security must be notified for approval prior to any third-party involvement required to pick up or accept delivery and incineration of the shredded shrink- wrapped bales for incineration at or by the Contractor.
- 2.1.4.2 The approximate pack sizes for these range from 4" x 6" x 1" to 7.75"x 8" x .25" thick with each pack being shrink wrapped using a 50 mil shrink wrap material. The items to be shredded must be shred and baled at the Contractor's location.
- 2.1.4.3 The baling process must be done in the same facility as the shredding. The State will not allow a third party to bale or store bales.
- 2.1.4.4 All foil and non-foil tickets and related records must be cross shredded twice to a particle size of 5/8" average or smaller.
- 2.1.4.5 All tickets must be shred during one work shift. In the event of machine failure, the remaining tickets must be stored in a secure area and shred within twenty-four (24) hours of receipt unless authorized by the Minnesota State Lottery.
- 2.1.4.6 The Contractor must sign the Minnesota State Lottery's form certifying that they have received the described materials, weighed each pallet, marked the weight on the Minnesota State Lottery's forms and witnessed the destruction. The Contractor must sign and deliver, to the Minnesota State Lottery, certification of destruction, and will be liable if all tickets delivered are not destroyed.
- 2.1.4.7 All bales of shredded tickets must be stored inside an alarmed secure area until picked up by recycler.
- 2.1.4.8 The Contractor will pick up tickets from Minnesota State Lottery locations [2645 Long Lake Road, Roseville, MN 55113, and 500 Kasota Avenue, Suite 526, (Dock 15 & 16), Minneapolis, MN 55414]. The tickets will be on pallets.
- 2.1.4.9. The average truck load is estimated at 16,800 ticket packs. The packs weight is approximately 0.65 to 1.1 pounds and ticket packs are individually shrink-wrapped. Load weight is up to 17,500 pounds.
- 2.1.5 Confidential Material. In additional to scratch ticket destruction, the Contractor will also be expected to destroy the following confidential material:
 - 2.1.5.1 Rolls of online ticket stock.
 - 2.1.5.2 Record retention.
 - 2.1.5.3 Second chance drawings.
 - 2.1.5.4 Accounting, public relations, marketing, and numbers.
 - 2.1.5.5 Security records.
- 2.1.6 Pickup Time Requirement. The Contractor must pick up the material within four (4) calendar days of a call by Minnesota State Lottery (MSL) staff.

3. DATA MANAGEMENT AND SECURITY.

3.1 General. The Contractor shall manage all documents and electronic storage media in a manner that assures data privacy and security as specified in this Section; the waste tracking provisions and the data management and security sections of this Contract; and all applicable federal, State, and local laws, rules, regulations, and ordinances.

3.2 Minnesota IT Policy, Physical and Environmental Security Standard. The Contractor will comply with Exhibit F: Minnesota IT Policy- Physical and Environmental Security Standard.

3.3. State Confidential Documents Storage/Disposal Requirements. Pursuant to Minnesota Statutes, section 138.17, subd. 7, the State of Minnesota is obligated to ensure proper disposal of confidential, private, nonpublic and protected nonpublic documents as defined by the Data Privacy Act, Minn. Stat. Ch. 13. Pursuant to Minnesota Statutes, section 13.05, subd. 5b, "when not public data is being disposed of, the data must be destroyed in a way that prevents its contents from being determined." Where applicable, if the State contracting party is part of the judicial branch, the State is obligated under Rule 10 of the Rules of Public Access to Records of the Judicial Branch promulgated by the Minnesota Supreme Court to ensure that the Contractor does not disclose to any third party any information that is not accessible to the public under the Rules of Public Access to Records of the Judicial Branch. The Contractor shall guarantee that upon receipt, the recyclable confidential, private, nonpublic and protected nonpublic documents (and where applicable, documents that are not accessible to the public under the Rules of Public Access to Records of the Judicial Branch) shall be transferred and stored in a manner that will ensure confidentiality up to the time that the data contained in the documents is destroyed.

3.4 Security Requirements for Federal and State Tax Documents. The Contractor shall comply and assume responsibility for compliance by its officers and employees with the following requirements from IRS publication 1075.

3.4.1 Performance. In performance of this Contract, the Contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

3.4.1.1 All work will be performed under the supervision of the Contractor or the Contractor's responsible employees.

3.4.1.2 Any federal tax returns or return information (hereafter referred to as returns or return information) made available shall be used only for the purpose of carrying out the provisions of the 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 this contract. Inspection by or disclosure to anyone other than an officer or employee of the contractor is prohibited.

3.4.1.3 All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output and products will be given the same level of protection as required for the source material.

3.4.1.4 No work involving returns and return information furnished under the Contract will be subcontracted without prior written approval of the IRS.

3.4.1.5 The Contractor will maintain a list of employees authorized access. Such list will be provided to the agency and, upon request, to the IRS reviewing office.

3.4.1.6 The State will have the right to void the Contract if the Contractor fails to provide the safeguards described in Section 3.4 Security Requirements for Federal and State Tax Documents.

3.4.2 Criminal/Civil Sanctions.

3.4.2.1 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 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 \$5,000.00 or imprisonment for as long as five years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized future 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 \$1,000.00 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.

3.4.2.2 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 this 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 \$1,000.00 or imprisonment for as long as one (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 [United States for Federal employees] in an amount equal to the sum of the greater of \$1,000.00 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. The penalties are prescribed by IRC Sections 7213A and 7431.

3.4.2.3 Additionally, it is incumbent upon the Contractor 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 so 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.

3.4.2.4 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, the Contractor should sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the security requirements.

3.4.3 Inspection. The IRS and the Agency shall have the right to send its officers and employees into the offices and plants of the Contractor for inspection of the facilities and operations provided for the performance of any work under the Contract. On the basis of such inspection, specific measures may be required in cases where the contractor is found to be noncompliant with Contract safeguards.

3.5 Appropriate Safeguards. The Contractor shall establish and maintain appropriate safeguards, including, but not limited to, appropriate electronic or other security measures, to prevent any unauthorized use or disclosure of confidential information. Such protections will comply with all Privacy Regulations. In conducting transactions using electronic media, Contractor shall conduct the transactions as standard transactions in accordance with all Privacy Regulations.

3.6 Reports of Improper Use of Disclosure. The Contractor shall immediately report to the State any material use or disclosure Contractor has made to confidential information provided to it by the State.

3.7. Sanction Procedures. The Contractor shall develop and implement a system of sanctions for any employee, subcontractor or agent who violates this Contract or any Privacy Regulations.

Exhibit D: Pricing

1. Contract Pricing.

1.1 In General. Prices listed take into consideration all inherent costs of providing the requested goods and services. The Contractor agrees to pay any and all fees, including, but not limited to: duties, custom fees, permits, brokerage fees, licenses and registrations, government taxes, overhead, profit, parking permits, proper disposal of materials, insurance payments. The State will not pay any additional charges beyond the price(s) listed, unless otherwise provided for by law or expressly allowed by the Contract. Prices listed within Exhibit D are maximum prices. These maximum prices shall remain firm for the initial term of the Contract. The Price List may not include any additional terms or conditions. A unit price and a total for the quantity must be stated for each item quoted. Prices must be quoted in United States currency. Any increase to Contract pricing requires a duly executed amendment to this Contract. Contractor may provide lower pricing at its discretion without requiring a duly executed amendment to the Contract.

2. Price Schedule(s).

The following price schedule(s) are hereby attached and incorporated into this Exhibit D as follows:

2.1 Exhibit D, Supplement 2 Price List.

3. Transportation.

All prices must be FOB Destination, prepaid and allowed (with freight included in the price), to the ordering entity's receiving dock or warehouse, or as otherwise instructed on the purchase order by the ordering entity. In those situations in which the "deliver-to" address has no receiving dock or agents, the Contractor must be able to deliver to the person specified on the purchase order.

4. Taxes.

Do not add sales tax to the prices being offered. State Agencies hold a Direct Payment Authorization Letter which is used to pay applicable taxes directly to the Department of Revenue. Contractors may go to <http://www.revenue.state.mn.us> to learn about the applicable sales tax (search "Fact Sheet 142").

**Exhibit D, Supplement 1
Sample Invoice and Quote**

Attached is a sample invoice and quote.

Contractor is required to use the sample quote and sample invoice for all transactions under this Contract. Contractor may not materially change either document unless the change has been approved in writing by the State's Authorized Representative. Contractor may not modify the sample quote or sample invoice to provide less detail regarding purchases under this Contract. Contractor hereby waives the right to enforce any term in either sample which contradicts or modifies any term of the solicitation or any Contract that may result, including subsequent amendments to the Contract, or would result in an unencumbered expense if enforced against the state or its CPV members. The State anticipates the sample quote and sample invoice will contain, at a minimum:

For the quote:

- Customer name
- State Contract number field
- Item/service description
- Item quantity or service hours
- List price

For the invoice:

- Customer name
- State Contract number field
- Minnesota State Lottery (MSL) Purchase Order Number
- Weight of tickets (pounds) shredded/ destroyed
- Item/service description
- Item quantity or service hours
- List price

Exhibit D, Supplement 2 Price List**Contract Price List Rohn Industries dba Shred Right Price List Effective April 1, 2021**

	Unit of Measure	Unit Price
Item 1: Price per pound for ticket destruction.	Pound	\$0.07
Item 2: Price per pound for foil ticket destruction.	Pound	\$0.15
Item 3: Price per pound for confidential paper records	Pound	\$0.05
Item 4: Price per pound of media (CD-ROM or CD-R discs, DVDs, flash memory drives, USB drives, DVDs, magnetic tape, etc.)	Pound	\$0.23
Item 5: Cost per each for Security Totes	Each	\$15.00

Exhibit E: Definitions for Contract

ACQUISITION MANAGEMENT SPECIALIST (AMS) — The staff person from the Minnesota Department of Administration (ADMIN) identified as the contact person responsible for the administration of the contract.

BUSINESS DAY— Any weekday, excluding Saturdays, Sundays, State legal holidays, and State mandated closings unless otherwise indicated. State holidays include: New Year’s Day, Martin Luther King Jr. Day, Presidents’ Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving, day after Thanksgiving, and Christmas. Columbus Day is a Federal Holiday but is a working day for the State.

CALENDAR DAY— Any day, including Saturdays, Sundays, State legal holidays, and State-mandated closings unless otherwise indicated. State holidays include: New Year’s Day, Martin Luther King Jr. Day, Presidents’ Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving, day after Thanksgiving, and Christmas. Columbus Day is a Federal Holiday but is a working day for the State.

MEDIA MANAGEMENT— Media management is the recycling or destruction of media such as CD-ROM or CD-R discs, DVDs, flash memory drives, USB drives, DVDs, magnetic tape, etc.

CONTRACTOR DEFINITIONS—

- a. Contractor – The person or entity that enters into this Contract with the State to provide goods or services.
- b. Subcontractor – A person or entity hired by the Contractor to provide goods or services for the Contractor.

DESIGNATED CONTACT PERSON (DCP) — The Designated Contact Person (DCP) is the staff person or agent from a State department, agency, facility or institution who has authority to request and pay for services in accordance with the Contract. If the services are satisfactory, the Designated Contact Person (DCP) will certify acceptance on each invoice submitted for payment.

MINNESOTA STATE LOTTERY STATE AUTHORIZED REPRESENTATIVE (MSL SAR) — The staff person from the Minnesota State Lottery that has the responsibility to monitor the Contractor’s performance.

SUBCONTRACTOR— See definition above under Contractor Definitions.

ABBREVIATIONS AND ACRONYMS

AMS - Acquisition Management Specialist

DCP - Designated Contact Person

MSL- Minnesota State Lottery

MSL SAR- Minnesota State Lottery State Authorized Representative

Exhibit F: Minnesota IT Policy- Physical and Environmental Security Standard



Physical and Environmental Security Standard

From the Office of the Chief Information Officer, State of Minnesota

Version: 1.4

Effective Date: 1/1/2016

Compliance Enforcement Date: 6/30/2020

Revision Date: 3/10/2020

Standard Statement

Physical access to State systems, media and data must be controlled to ensure the confidentiality availability and integrity of State data.

Table 1. Physical and Environmental Security Controls

Control Number	Control Name	Control Detail	Applicable Data Protection Categorization
1	Labeling	Media must be labeled to indicate the handling and access requirements.	High
2	Secure Storage of Paper and Electronic Media	Paper and electronic media containing State data must be kept under the immediate protection and control of authorized personnel or securely locked up.	High
3	Media Inventory	Electronic media containing State data must be inventoried at least annually. Inventories must be documented and any discrepancies with previous inventories must be investigated and communicated to the security incident response team.	High

Control Number	Control Name	Control Detail	Applicable Data Protection Categorization
4	Offsite Storage	<p>All media sent to an off-site storage location must be:</p> <ul style="list-style-type: none">• Labeled• Encrypted.• Secured in a locked container with the key retained in State control.• Protected from unauthorized access <p>Off-site storage locations must be secure and the security of the storage location must be assessed annually.</p>	High

Control Number	Control Name	Control Detail	Applicable Data Protection Categorization
5	Media Transport	<p>The transport of any kind of paper or electronic media containing State data must be strictly controlled, including the following:</p> <ul style="list-style-type: none"> • Categorize the media based on the data it contains. • Send the media by secured courier or other secure delivery method that can be accurately tracked. • Monitor the transport to ensure that each shipment is properly and timely received and acknowledged. • Document the transport of all media. Documentation must contain: <ul style="list-style-type: none"> ○ a. The name of media recipient. ○ b. Signature of media recipient. ○ c. Date/time media received. ○ d. Media control number and contents. ○ e. Movement or routing information. ○ f. If disposed of, the date, time, and method of destruction. • Ensure only authorized personnel approve any and all media that is moved from a secured area including when media is distributed to individuals. • Restrict the activities associated with the transport of media to authorized personnel. • Maintain accountability for media during transport outside of secured areas. • Encrypt all electronic media containing data with data protection categorization of High. • Ensure a current, retrievable copy of data is available for systems containing data with a Data Protection Categorization of High before movement of servers. • Paper or electronic media containing Federal Tax Information (FTI) must be double-sealed using one of the following: <ul style="list-style-type: none"> ○ One envelope within another envelope with the inner envelope marked “confidential” with some indication that only the designated official or delegate is authorized to open it. ○ Boxes sealed with tamper evident seals. 	High

Control Number	Control Name	Control Detail	Applicable Data Protection Categorization
6	Secure Disposal of Paper	<p>Paper containing State data must be securely disposed of when no longer needed for business or legal reasons and in accordance with record retention requirements by:</p> <ul style="list-style-type: none"> • Ensuring all employees have access to and use secure shred bins or crosscut shredding devices. <ul style="list-style-type: none"> ○ These devices must be cross cut shredders which produce particles that are 1 mm x 5 mm (0.04 in. x 0.2 in.) in size or smaller • Physically securing shred bins. • Emptying secure shred bins on a periodic basis to ensure they do not fill up. • Shredding, incinerating or pulping hard-copy materials so that State data cannot be reconstructed. • Ensuring the disposal or destruction is witnessed or carried out by authorized personnel. • Third parties performing disposal must be National Association for Information Destruction (NAID) certified and the state must maintain a copy of, and periodically validate the NAID certification. 	Moderate High

<p>7</p>	<p>Secure Disposal of Electronic Media</p>	<p>Media must be securely disposed of when it is no longer needed for business or legal reasons and in accordance with record retention requirements as follows:</p> <ul style="list-style-type: none"> • Review and approve media to be sanitized to ensure compliance with business, legal, and records retention requirements. • Sanitize or destroy all media prior to disposal, release out of State control or reuse following the NIST Special Publication 800-88 Revision 1 Sanitization Methods <ul style="list-style-type: none"> ○ Media that will be reused in the same environment with the same or higher data protection categorization can follow the “Clear” method. ○ Media that will be surplus, returned to the vendor or otherwise sent outside of state control, or reused in an environment with a lower Data protection categorization must follow the “Purge” or “Destroy” methods. ○ Nonfunctional media, media that cannot be “Purged”, and media not being reused must follow the “Destroy” method. • Ensure the sanitization or destruction is witnessed or carried out by authorized personnel. • Verify the media sanitization or destruction was successful by testing a representative sample at least once per year (every 365 days). • Document sanitization and destruction actions including: <ul style="list-style-type: none"> ○ Personnel who reviewed and approved sanitization or disposal actions. ○ Types of media sanitized. ○ Sanitization methods used. ○ Date and time of the sanitization actions. ○ Personnel who performed the sanitization. ○ Verification actions taken. ○ Personnel who performed the verification. ○ Disposal action taken. • Provide the business a certificate of destruction confirming disposition of the media. <p>Third parties performing data disposal must be National Association for Information Destruction (NAID) certified and the state must maintain a copy of, and periodically validate the NAID certification.</p>	<p>Moderate High</p>
<p>8</p>	<p>Physical Barriers</p>	<p>Areas of the facility containing State systems and data must be physically separated from other areas of the facility by:</p>	<p>Low Moderate</p>

Control Number	Control Name	Control Detail	Applicable Data Protection Categorization
		<ul style="list-style-type: none"> • Separating nonpublic areas from public areas with physical barriers (e.g., walls, doors, turnstiles, etc.) and identifying areas as nonpublic with prominent postings. • Separating sensitive areas such as data centers, network closets and areas storing or processing data with data protection categorization of High from other areas of the facility using at least two physical barriers. Protected information must be containerized in areas where other than authorized employees may have access afterhours. • Minimizing the number of entrances to nonpublic and sensitive areas. • Controlling entry and exit points to nonpublic and sensitive areas of the facility using physical access control systems/devices and/or guards. • Restricting physical access to wireless access points, gateways, VoIP network hardware, handheld devices, networking/communications hardware and telecommunication lines. 	High

Control Number	Control Name	Control Detail	Applicable Data Protection Categorization
9	Physical Access Control	<p>Physical access to nonpublic and sensitive areas (data centers, wiring closets, rooms where data with a Data Protection Categorization of High is stored or processed, etc.) must be controlled by:</p> <ul style="list-style-type: none"> • Developing, approving and maintaining a list of individuals with authorized access to nonpublic and sensitive areas of the facility. This list must include: <ul style="list-style-type: none"> ○ Name of individual. ○ Agency or department name. ○ Name and contact information of agency point of contact. ○ Purpose for access. • Reviewing and updating the access list detailing authorized access by individuals at least every six months for data centers and at least annually for all other areas. • Authorizing access to nonpublic and sensitive areas based on the individual's job function. • Prohibiting "piggybacking" or "tailgating" into nonpublic or sensitive locations. • Verifying individual access authorizations before granting access. • Enforcing physical access authorizations at defined entry/exit points • Issuing badge access, keys and/or combinations only to authorized individuals. • Revoking access when no longer needed and ensuring all physical access mechanisms, such as keys, access cards, etc., are returned, changed and/or disabled. • Requiring the use of two factor authentication for physical access to data centers. • Requiring the inspection of all bags and items entering data centers and limiting access to only those items that are needed to perform work. • Requiring the completion of required background checks and training prior to granting access to data centers. 	<p>Low Moderate High</p>

Control Number	Control Name	Control Detail	Applicable Data Protection Categorization
10	Physical Access Monitoring	<p>Video cameras and/or access control systems (e.g., badge readers, smart cards, biometrics, etc.) must be used to monitor and track all physical access attempts to nonpublic and sensitive areas. Video and/or access control logs must:</p> <ul style="list-style-type: none"> • Capture the following information: <ul style="list-style-type: none"> ○ The owner of the access control device requesting access and/or the identity of the individual requesting access. ○ The success or failure of the request. ○ The date and time of the request. • Be reviewed at least weekly and upon occurrence of security incidents involving physical security and correlated with other entries. • Unauthorized access must be reported to the security incident response team for investigation. • Stored for at least 90 days for data centers and areas containing data with a data protection categorization of High. • Be monitored 24 hours per day, 7 days per week by trained personnel who respond to potential incidents. • Be analyzed by automated mechanisms to recognize potential intrusions and initiate designated response actions. 	Moderate High

Control Number	Control Name	Control Detail	Applicable Data Protection Categorization
11	Tamper Prevention	<p>Systems processing credit cards or located in public spaces and all video cameras and physical access control devices regardless of physical location, must be:</p> <ul style="list-style-type: none"> • Protected from unauthorized modification or substitution. • Periodically inspected to detect tampering or unauthorized substitution. <p>Users of these systems must be trained to detect tampering. Training should instruct users to:</p> <ul style="list-style-type: none"> • Verify the identity of any third-party persons claiming to be repair or maintenance personnel, prior to granting them access to modify or troubleshoot devices. • Not install, replace, or return devices without verification. • Be aware of suspicious behavior around devices (for example, attempts by unknown persons to unplug or open devices). • Report suspicious behavior and indications of device tampering or substitution to appropriate personnel (for example, to a manager or security officer). 	<p>Low Moderate High</p>
12	Output Device Locations	<p>Prevent the unauthorized viewing of State data by:</p> <ul style="list-style-type: none"> • Locating printers and fax machines in secure areas. • Using privacy screens and/or positioning monitors and laptop screens so that unauthorized users cannot view the screen. 	<p>High</p>
13	System Locations	<p>Systems must be positioned within the facility to minimize potential damage from physical and environmental hazards and to minimize the opportunity for unauthorized access.</p>	<p>Low Moderate High</p>
14	Physical Device Lock	<p>Workstations and laptop computers containing Federal Tax Information (FTI) must be physically secured to large objects such as desks or tables when not in use. Smaller equipment such as smartphones and tablets must be locked in a filing cabinet or desk drawer when not in use.</p>	<p>High</p>

Control Number	Control Name	Control Detail	Applicable Data Protection Categorization
15	Alternate Work Locations	<p>Personnel working from locations not controlled by the State must ensure the protection of State data. Appropriate security controls must be implemented at alternate work sites that include, but are not limited to, laptop cable locks, recording serial numbers and other identification information about laptops, and disconnecting modems at alternate work sites.</p> <p>Personnel must be provided a means to communicate with information security personnel in case of security incidents or problems.</p> <p>Telework locations for personnel accessing Federal Tax Information must be inspected to ensure that this data is adequately protected. The results of each inspection must be fully documented.</p>	High
16	Physical Access Device Management	<p>Keys, combinations and other physical access devices must be protected by:</p> <ul style="list-style-type: none"> • Storing keys, combinations and other physical access devices in a secure location. • Inventorying and reconciling all keys and other physical access devices at least annually. • Changing combinations at least annually and when an employee who knows or has access to them no longer has a need to access the area, room or container. • Only giving keys, combinations and other physical access devices to those who have a frequent need to have access to the area, room or container. • Prohibiting the writing of combinations or PINs on a sticky-note, calendar pad, or any other item (even though it is carried on one's person or hidden from view). If needed a written copy of the combination may be kept in an envelope that is secured in a container with appropriate security controls. 	Moderate High
17	Delivery and Removal	<p>All systems being brought into or removed from State data centers must be authorized, monitored, controlled and documented.</p>	Low Moderate High

Control Number	Control Name	Control Detail	Applicable Data Protection Categorization
18	Personnel Badges	State personnel with access to nonpublic areas of State facilities must be assigned a photo ID badge that distinguishes State personnel from visitors. Badges must be worn above the waist and visible at all times while inside nonpublic areas.	Low Moderate High
19	Visitor Access	<p>Visitors to nonpublic or sensitive areas must be:</p> <ul style="list-style-type: none"> • Authorized before entering. • Escorted and monitored at all times within nonpublic or sensitive areas. • Identified by examining government issued photo identification (e.g., state driver's license or passport) for data centers and areas containing Federal Tax Information. • Given a badge or other identification that: <ul style="list-style-type: none"> ○ Expires no later than the end of the visit. ○ Visibly distinguishes the visitors from authorized personnel. ○ Is returned before leaving the facility or at the date of expiration. 	Low Moderate High
20	Visitor Log	<p>A visitor log must be used to maintain a physical audit trail of all visitor activity to nonpublic and sensitive areas. This visitor log must:</p> <ul style="list-style-type: none"> • Be retained for a minimum of 5 years. • Be closed out at the end of each month and reviewed by management. • Contain the following information: <ul style="list-style-type: none"> ○ Name of the visitor. ○ Organization of the visitor. ○ Signature of the visitor (electronic or physical). ○ Form of identification reviewed (if required). ○ Date of access. ○ Time of entry and departure. ○ Purpose of visit. ○ Name and organization of authorized escort. 	Low Moderate High

Control Number	Control Name	Control Detail	Applicable Data Protection Categorization
21	Maintenance Personnel Access	<p>Physical access for cleaning, security and maintenance personnel must controlled by:</p> <ul style="list-style-type: none"> • Maintaining a list of authorized maintenance organizations or personnel. This list must be updated at least monthly and include: <ul style="list-style-type: none"> ○ Name of vendor/contractor. ○ Name and phone number of State point of contact authorizing access. ○ Name and contact information of vendor point of contact. ○ Address of vendor/contractor. ○ Purpose and level of access. • Ensuring that non-escorted maintenance and cleaning personnel have completed the same training, screening and approval as authorized employees. • Designating State personnel with required access authorizations and technical competence to supervise the maintenance activities of personnel who do not have the required access authorizations. 	<p>Low Moderate High</p>
22	Facilities Maintenance	<p>Permit only authorized maintenance personnel to access infrastructure assets, including power generators, HVAC systems, cabling, and wiring closets.</p> <p>Repairs and modifications to the physical components of a facility which are related to security (for example, door hinges and handles, walls, doors and locks) must be approved and documented.</p>	<p>Moderate High</p>
23	Power Equipment and Cabling	<p>Data center power equipment and power cabling for systems in the data center must be protected from damage and destruction.</p>	<p>Low Moderate High</p>

Control Number	Control Name	Control Detail	Applicable Data Protection Categorization
24	Emergency Shutoff	<p>Data centers must have the capability of shutting off power to the data center or individual systems in emergency situations. Emergency shutoff switches or devices must be:</p> <ul style="list-style-type: none"> • Located where they can safely and easily be accessed. • Protected from unauthorized or unintended activation. 	<p>Low Moderate High</p>
25	Emergency Power	<p>Data centers must have:</p> <ul style="list-style-type: none"> • A short-term uninterruptible power supply in place to facilitate the transition of systems to long-term alternate power in the event of a primary power source loss. • A long-term alternate power supply that is capable of maintaining minimally required operational capability in the event of an extended loss of the primary power source. 	<p>Low Moderate High</p>
26	Emergency Lighting	<p>Automatic emergency lighting that activates in the event of a power outage or disruption must be maintained and in place to cover:</p> <ul style="list-style-type: none"> • All emergency exits and evacuation routes within the facility. • All areas within the facility supporting essential missions and business functions. 	<p>Low Moderate High</p>
27	Fire Protection	<p>Fire suppression and detection devices/systems must be in place that:</p> <ul style="list-style-type: none"> • Are supported by an independent energy source. • Activate automatically. • Notify facilities personnel and the local fire department in the event of a fire detection or suppression activation. 	<p>Low Moderate High</p>

Control Number	Control Name	Control Detail	Applicable Data Protection Categorization
28	Temperature and Humidity Controls	<p>Data centers must have controls in place to:</p> <ul style="list-style-type: none"> • Maintain temperature and humidity levels within the facility where the information system resides within acceptable vendor-recommended levels. • Monitor temperature and humidity levels. Alert appropriate personnel in the event the temperature or humidity fall outside of acceptable levels <ul style="list-style-type: none"> ○ Evaluate the level of alert and follow prescribed guidelines for that alert level. ○ Alert component management of possible loss of service and/or media. ○ Report damage and provide remedial action. Implement contingency plan, if necessary. • 	<p>Low</p> <p>Moderate</p> <p>High</p>
29	Water Damage Protection	<p>Data centers must have controls in place to prevent damage from water leakage by:</p> <ul style="list-style-type: none"> • Providing master shutoff or isolation valves that are accessible, working properly and known to data center facilities personnel. • Using automated mechanisms to detect the presence of water in the data center and alert data center facilities personnel. 	<p>Low</p> <p>Moderate</p> <p>High</p>

Reason for the Standard

Physical security is essential to ensure the confidentiality availability and integrity of State data. Physical controls prevent the unauthorized or unintended disclosure or destruction of State data.

Roles & Responsibilities

- Employees, Vendors, and Contractors
 - Be aware of and follow relevant information security policies, standards and procedures.
 - Ensure information security is incorporated into processes and procedures.

- Ensure contract language with vendors and contractors includes required information security controls.
- Consult with information security staff on the purchase and procurement of information technology systems or services.
- Contact information security staff or email GRC@state.mn.us with questions about the information security policies, standards or procedures.
- Supervisors and Managers
 - Ensure employees and contractors are proficient in the information security policies, standards and procedures that are relevant to their role.
 - Hold employees accountable for following the information security policies, standards and procedures.
- Information Technology Personnel
 - Apply appropriate controls to the design, operation and maintenance of systems, processes and procedures in conformance with the information security policies, standards and procedures.
- Information Security Personnel
 - Develop, maintain and assess compliance with the information security policies, standards and procedures.
 - Develop, maintain and implement a comprehensive information security program.
 - Provide training on information security policies, standards and procedures.
 - Assist agencies and personnel with understanding and implementing information security policies, standards and procedures.
 - Notify appropriate personnel of applicable threats, vulnerabilities and risks to State data or systems.
- Agency Data Practices Personnel
 - Assist agencies and personnel with questions on proper data use, collection, storage, destruction and disclosure.

Applicability

This standard applies to all departments, agencies, offices, councils, boards, commissions and other entities in the executive branch of Minnesota State Government.

Related Information

Physical and Environmental Security Policy

State Standards and Authoritative Source Cross Mapping

Glossary of Information Security Terms

History

Version	Description	Date
1.0	Initial Release	7/8/2015
1.1	Added Compliance Enforcement Date	12/29/2015
1.2	Updated Compliance Enforcement Date and Template	12/20/2016
1.3	Updated Compliance Enforcement Date and Template	10/26/2017
1.4	Scheduled Document Refresh	3/10/2020

Contact

GRC@state.mn.us

Exhibit G: Additional Attachments

For Exhibit G: Additional Attachments, the State is incorporating the Contractor's response, Attachment E: Additional Information and Attachment F: Response Information, into the Contract including the NAID™ Certificate.

Whereas, in Attachment E: Additional Information and Attachment F: Response Information, the term "Responder" shall be substituted with "Contractor."

Exhibit G: Additional Attachments

ATTACHMENT E: ADDITIONAL INFORMATION

1. **Contractor's Contact Information.** Provide the contact information for the representative responsible for the management of the contract and the representative receiving purchase orders.

Vendor's Legal Name	ROHO INDUSTRIES dba SHRED RIGHT
Address	862 HENLEY ST, ST PAUL MN 55114
Contact Person (Contract)	MATTHEW JACKSON
Email Address	matt@shredrightnow.com
Telephone Number	651 671 1863

Contact Person (PO Order)	MATTHEW JACKSON
Email Address	matt@shredrightnow.com
Telephone Number	651 671 1863

2. **Prompt Pay Discount.** What prompt pay discounts do you offer? Select all that apply, if "other," specify terms in the comment section below:

- | | |
|-------------------------------------------|-------------------------------------------|
| <input type="checkbox"/> 1% in 30 | <input type="checkbox"/> 1% in 15, Net 30 |
| <input type="checkbox"/> 2% in 30 | <input type="checkbox"/> 2% in 15, Net 30 |
| <input type="checkbox"/> 3% in 30 | <input type="checkbox"/> 3% in 15, Net 30 |
| <input type="checkbox"/> 1% in 10, Net 30 | <input type="checkbox"/> 1% in 20, Net 30 |
| <input type="checkbox"/> 2% in 10, Net 30 | <input type="checkbox"/> 2% in 20, Net 30 |
| <input type="checkbox"/> 3% in 10, Net 30 | <input type="checkbox"/> 3% in 20, Net 30 |
| <input type="checkbox"/> 5% in 10, Net 30 | <input type="checkbox"/> Net 30 |
| <input type="checkbox"/> Other | <input checked="" type="checkbox"/> None |

Comments:

3. **Delivery Time Frame.** Responder must enter a delivery time frame after receipt of order (ARO) in the space below.

Shred Right can abide by the pick up time requirements that are established in the Contract, Exhibit C: Specifications, Duties and Scope of Work, Section 2.1.6 Pickup Time Requirements.

Exhibit G: Additional Attachments

ATTACHMENT F: RESPONSE INFORMATION

Responder/Company Name: **ROHN INDUSTRIES dba SHRED RIGHT**
Contact Name: **MATTHEW JACKSON**
Address: **802 HERSEY ST, ST PAUL, MN 55114**
Email: **matt@shredrightnow.com**
Phone Number: **651 621 1863**

1. Responder must list the names and addresses of its recycling and incineration subcontractors it plans to use for this contract below (use additional pages if necessary).

Note that the Contractor may utilize an approved NAID™ certified subcontractor only for media management (e.g. CD-ROM or CD-R discs, DVDs, flash memory drives, USB drives, DVDs, magnetic tape, etc.) See Number 3 below.

SHRED RIGHT
802 HERSEY ST
ST PAUL MN 55114

2. Responder must specify in the space below how it plans to destroy/ recycle foil tickets (e.g. shredding methods, incineration, etc.) If the foil tickets will be recycled or incinerated by a subcontractor, please list that subcontractor's name and address below. (Use additional pages if necessary.)

MINNESOTA ENVIRONMENTAL SOLUTIONS
1051 SUMMIT AVENUE, WANKATO, MN 56001

*** ALL FOIL TICKETS ARE FIRST SHREDDED AND THEN INCINERATED ***

3. Responder must have a NAID™ Certificate. Pursuant to Minnesota IT Policy, Physical and Environmental Security Standard, the Contractor must be certified by the National Association for Information Destruction, Inc. (NAID™) for paper and media management (e.g. CD-ROM or CD-R discs, DVDs, flash memory drives, USB drives, DVDs, magnetic tape, etc.). Responders should submit and upload with their response a copy of the required NAID™ certificate.

ATTACHMENT INCLUDED

Exhibit G: Additional Attachments

Shred Right (a Rohn Industries Co.)

is Hereby Granted NAID AAA Certification
by the National Association for Information Destruction



The National Association for Information Destruction (NAID®) is the non-profit trade association recognized globally as the secure data destruction industry's standards setting and oversight body.

*The certificate holder has met the rigorous requirements of the NAID AAA Certification program and demonstrated through announced and unannounced audits that its security processes, procedures, systems, equipment, and training meet the standards of care required by all known data protection regulations.**

As a result, NAID AAA Certification also serves to meet all data controller vendor selection due diligence regulatory requirements.

The certificate holder is NAID AAA Certified for the following services and media types.

- Mobile Operation Endorsed for Paper/Printed Media, Physical Hard Drive, Non-Paper Media, Solid State Device & Product Destruction
- Plant-based Operation Endorsed for Paper/Printed Media, Micro Media, Physical Hard Drive, Non-Paper Media, Solid State Device & Product Destruction

Valid Through: 30 June 2021

Robert J. Johnson

NAID AAA Certification Program Official

Applicable to the following location(s):

- 862 Hersey Street, St. Paul, MN 55114 USA

*NAID AAA Certification specifications are regularly evaluated/amended as necessary and service provider compliance is verified to ensure ongoing conformance with all known data protection regulations including The Privacy Act (Australia), GDPR (Europe), HIPAA, GLBA, FACTA, State-level requirements (USA), and PIPEDA, PIPA, PHIPA (Canada) in their relevant jurisdiction(s), as well as with related risk assessment, incident reporting and data breach reporting procedures and training as required therein or separately.