

AMENDMENT NO. 7 TO CONTRACT NO. 17478, RELEASE NO. C-753(5)

THIS AMENDMENT is by and between the State of Minnesota, acting through its commissioner of Administration ("State"), and IBM Corporation, 650 Third Avenue, Minneapolis, MN 55402 ("Contract Vendor").

WHEREAS, the State has a Contract with the Contract Vendor identified as Contract No. 17478, April 1, 2009 to February 20, 2015, ("Contract"), to provide Computer: IBM Mainframe & Midrange Hardware, Software, Maintenance and Project Support Services; and

WHEREAS, Minn. Stat. § 16C.03, subd. 5, affords the commissioner of Administration, or delegate pursuant to Minn. Stat. § 16C.03, subd. 16, the authority to amend contracts; and

WHEREAS, the terms of the Contract allow the State to amend the Contract as specified herein, upon the mutual agreement of the Materials Management Division and the Contract Vendor in a fully executed amendment to the Contract.

NOW, THEREFORE, it is agreed by the parties to amend the Contract as follows:

1. That Contract No. 17478 is extended through August 19, 2015, at the same pricing.
2. **ADD** the following to the Contract:

Survivability of Order. In the event the term of any 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 the Contract. No new orders may be issued against the Contract following termination or expiration.

This Amendment is effective beginning February 21, 2014, or upon the date that the final required signatures are obtained, whichever occurs later, and shall remain in effect until August 19, 2015, or until the Contract is cancelled, whichever occurs first.

Except as herein amended, the provisions of the original Contract between the parties hereto are expressly reaffirmed and remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Amendment to be duly executed intending to be bound thereby.

1. IBM CORPORATION

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

By: Susanna M. Woods
Signature

SUSANNA M. WOODS
Printed Name

Title: ENTERPRISE SALES LEADER

Date: 02-18-2015

By: _____
Signature

Printed Name

Title: _____

Date: _____

2. MATERIALS MANAGEMENT DIVISION

In accordance with Minn. Stat. § 16C.03, subd. 3.

By: [Signature]

Title: Acquisition Management Specialist

Date: 2/27/2015

3. COMMISSIONER OF ADMINISTRATION

Or delegated representative.

By: _____

Date: _____

Original signed

FEB 27 2015

By Brenda Willard

AMENDMENT NO. 7: GENERAL INSURANCE REQUIREMENTS

The Contractor shall maintain insurance to cover claims which may arise from operations under this Contract.

The Contractor shall not commence work under the Contract until they have obtained all the insurance described below and the State of Minnesota has approved such insurance. The Contractor shall maintain such insurance in force and effect throughout the term of the Contract.

All coverages and limits shall remain in force and effect throughout the term of the Contract.

NOTICE TO THE CONTRACTOR:

The failure of the State of Minnesota to obtain 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 Owner to the Contractor to provide such insurance.

The Owner reserves the right to immediately terminate the Contract if the Contractor is not in compliance with the insurance requirements and the Owner retains all rights to pursue any legal remedies against the Contractor. In the event that a court of competent jurisdiction orders Contractor to disclose its insurance policy(ies) in connection with discovery during litigation brought as a result of a dispute between the parties, Contractor agrees to adhere to such court's order with respect to disclosure of such policy(ies).

NOTICE TO INSURER:

Contractor is on notice that Contractor may not have any rights under the laws of Minnesota to assert the immunity of the State as a defense to any claims made under said insurance.

REQUIREMENTS FOR THE CONTRACTOR:

The Contractor's policy(ies) shall be primary insurance to any other valid and collectible insurance available to the State of Minnesota with respect to any claim arising out of Contractor's performance under this Contract.

If contractor receives a cancellation notice from an insurance carrier affording coverages herein, Contractor shall promptly notify the State of Minnesota; in no event shall such notice to the State exceed thirty (30) days from the date of such cancellation by Contractor's insurance carrier.

The Contractor is responsible for payment of Contract related insurance premiums and deductibles.

If the Contractor is self-insured, a Certificate of Self-Insurance must be attached.

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 MN Department of Commerce if they are not rated by AM Best.

The Contractor's 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.

POLICY REQUIREMENTS:

1. 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 of Minnesota, including Coverage B, Employer's Liability. Minimum limits of liability:

Coverage B – Employer's Liability
\$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 the Contractor from Workers' Compensation insurance or if the Contractor has no employees in the State of Minnesota, the Contractor must provide a written statement, signed by the authorized signer of the Contract, stating the qualifying exemption that excludes the Contractor from MN 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 included herein and provide the State of Minnesota with a certificate of insurance.

Evidence of Subcontractor insurance shall be filed with the Contractor.

2. Automobile Liability Insurance:

The Contractor shall maintain insurance to cover liability arising out of the ownership, operation, use or maintenance of all owned, hired and non-owned autos, and in case any work is subcontracted the Contractor will require the subcontractor to maintain Automobile Liability insurance.

A. Minimum Limits of Liability:

\$2,000,000 - Per Occurrence -- Bodily Injury and Property Damage Combined Single Limit

B. Coverages:

- Owned Automobile
- Non-owned Automobile
- Hired Automobile

Evidence of Subcontractor insurance shall be filed with the Contractor.

3. General Liability Insurance:

The Contractor shall 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.

A. Minimum Limits of Liability:

\$2,000,000 - Per Occurrence
\$2,000,000 - Annual Aggregate
\$2,000,000 - Annual Aggregate applying to Products/Completed Operations

B. Coverages

- Premises and Operations Bodily Injury and Property Damage
- Personal & Advertising Injury
- Blanket Contractual
- Products and Completed Operations
- State of Minnesota named as an Additional Insured

4. Professional/Technical, Errors and Omissions, including Network Security and Privacy Liability Insurance (or equivalent Network Security and Privacy Liability coverage endorsed on another form of liability coverage or written as a standalone policy):

- 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.
- Contractor is required to carry the following **minimum** limits:
 - \$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 Extended coverage for a three year period will be provided as long as such coverage remains commercially available and financially viable. In the event such coverage is not commercially available and financially viable, IBM agrees to self-insure to the same limits as contained herein and agrees to provide a Self-Insured Letter or a Self-Administered Claims Letter signed by an officer of the Contractor or the Contractor's Risk Manager.

State Of Minnesota – Affirmative Action Certification

If your response to this solicitation is or could be in excess of \$100,000, complete the information requested below to determine whether you are subject to the Minnesota Human Rights Act (Minnesota Statutes 363A.36) certification requirement, and to provide documentation of compliance if necessary. It is your sole responsibility to provide this information and—if required—to apply for Human Rights certification prior to the due date of the bid or proposal and to obtain Human Rights certification prior to the execution of the contract. The State of Minnesota is under no obligation to delay proceeding with a contract until a company receives Human Rights certification

BOX A – For companies which have employed more than 40 full-time employees within Minnesota on any single working day during the previous 12 months. All other companies proceed to BOX B.

Your response will be rejected unless your business:

- has a current Certificate of Compliance issued by the Minnesota Department of Human Rights (MDHR)
- ~~or~~
- has submitted an affirmative action plan to the MDHR, which the Department received prior to the date the responses are due.

Check one of the following statements if you have employed more than 40 full-time employees in Minnesota on any single working day during the previous 12 months:

- We have a current Certificate of Compliance issued by the MDHR. Proceed to **BOX C**. Include a copy of your certificate with your response.
- We do not have a current Certificate of Compliance. However, we submitted an Affirmative Action Plan to the MDHR for approval, which the Department received on _____ (date). Proceed to **BOX C**.
- We do not have a Certificate of Compliance, nor has the MDHR received an Affirmative Action Plan from our company. We acknowledge that our response will be rejected. Proceed to **BOX C**. Contact the Minnesota Department of Human Rights for assistance. (See below for contact information.)

Please note: Certificates of Compliance must be issued by the Minnesota Department of Human Rights. Affirmative Action Plans approved by the Federal government, a county, or a municipality must still be received, reviewed, and approved by the Minnesota Department of Human Rights before a certificate can be issued.

BOX B – For those companies not described in BOX A

Check below.

- We have not employed more than 40 full-time employees on any single working day in Minnesota within the previous 12 months. Proceed to **BOX C**.

BOX C – For all companies

By signing this statement, you certify that the information provided is accurate and that you are authorized to sign on behalf of the responder. You also certify that you are in compliance with federal affirmative action requirements that may apply to your company. (These requirements are generally triggered only by participating as a prime or subcontractor on federal projects or contracts. Contractors are alerted to these requirements by the federal government.)

Name of Company: IBM CORPORATION Date: 02-18-2015
Authorized Signature: Susanna M. Woods Telephone number: 763-232-2888
Printed Name: SUSANNA M. WOODS Title: ENTERPRISE SALES LEADER

For assistance with this form, contact:

Minnesota Department of Human Rights, Compliance & Community Relations

Mail: The Freeman Building 625 Robert Street North, Saint Paul, MN 55155 TC Metro: (651) 296-5663 Toll Free: 800-657-3704
Web: www.humanrights.state.mn.us Fax: (651) 296-9042 TTY: (651) 296-1283
Email: compliance.mdhr@state.mn.us



Minnesota Department of
HUMAN RIGHTS

August 20, 2013

IBM CORPORATION (105) SYSTEMS GROUP DEVELOPMENT
ATTN: Colleen Burgess
3039 CORNWALLIS RD
BLDG 002
RESEARCH TRIANGLE PK, NC 27709

Your organization's affirmative action plan has been approved by the Minnesota Department of Human Rights. The department's review of your equal employment opportunity policies and practices indicates compliance with Minnesota Statutes, Sec. 363A.36.

The Certificate of Compliance is enclosed. This certification is subject to revocation or suspension prior to its expiration if the department issues a finding of noncompliance or if your organization fails to make a good faith effort to implement its affirmative action plan.

Also enclosed is an Annual Report form to be completed and submitted annually during the certification period whether a state contract has been awarded to you or not. **You must submit reports as required and promptly notify us of any address or status changes.**

If you have any questions, please contact Compliance Services at 651-539-1095 or compliance.mdhr@state.mn.us.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin M. Lindsey".

Kevin M. Lindsey, Commissioner
Minnesota Department of Human Rights

Enclosures: Certificate of Compliance
Annual Report Form
Posters (2)

AN EQUAL OPPORTUNITY EMPLOYER



Minnesota Department of
HUMAN RIGHTS

CERTIFICATE OF COMPLIANCE

IBM CORPORATION (105) SYSTEMS GROUP DEVELOPMENT is hereby certified as a contractor by the Minnesota Department of Human Rights. This certificate is valid from 8/20/2013 to 8/20/2015.

This certification is subject to revocation or suspension prior to its expiration if the department issues a finding of noncompliance or if your organization fails to make a good faith effort to implement its affirmative action plan.

Minnesota Department of Human Rights

FOR THE DEPARTMENT BY:

A handwritten signature in black ink, appearing to read "Kevin M. Lindsey".

Kevin M. Lindsey, Commissioner

AN EQUAL OPPORTUNITY EMPLOYER

DELEGATION OF AUTHORITY

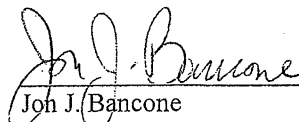
I, Jon J. Bancone, Associate General Counsel, IBM North America Sales & Distribution, do hereby certify that said Associate General Counsel, in accordance with and pursuant to resolutions of the Board of Directors of International Business Machines Corporation ("IBM") duly adopted at a meeting duly held and called on April 25, 1994, and those certain Letters of Authority dated November 15, 1995, and May 6, 2011, has been duly authorized to execute and deliver in the name of and on behalf of IBM any contract or other document or instrument necessary or appropriate in the ordinary course of IBM's business, including, but not limited, to bid documents for the sale of IBM products and services to federal, state and local governments and agencies, purchase orders and sales agreements, and the like, and to delegate this authorization within the IBM organization in the United States, including Puerto Rico; and that said authorization has not been modified, amended or rescinded and continues in full force and effect. So authorized, I hereby delegate said authority to execute and deliver in the name of and on behalf of IBM any such contract or other document or instrument reasonably related to, or performed in accordance with, the job duties, and/or responsibilities of the persons holding the below listed positions in the IBM organization in the United States, including Puerto Rico:

President
Treasurer
Vice President
General Manager
Partner
Associate Partner

Position titles that include the words:

Attorney
Business Operations Manager
Client Manager
Client Relationship Representative
Client Unit Executive
Contract Administrators
Contracts & Negotiations
Contract Professional
Counsel
Customer Fulfillment Manager
Customer Fulfillment Professional
Director
Executive
IT Architects
IT Consultants
IT Specialists
Program Manager
Project Manager
RFS Operations Specialist
RFS Portfolio Specialist
Sales Manager
Sales Representative
Sales Specialist
Software Client Leader (SCL)
Service Delivery Executive
Service Delivery Manager
Software Engineer
System Service Representative

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of said International Business Machines Corporation on this 5th day of September, 2014.



Jon J. Bancone
Associate General Counsel
IBM North America Sales and Distribution