STATE OF MINNESOTA
MINNESOTA STATE COLLEGES AND UNIVERSITIES

STUDENT FINANCIAL DISBURSEMENTS SERVICES MASTER CONTRACT

THIS CONTRACT, and amendments and supplements thereto, is between the State of Minnesota, acting through its Board of Trustees of the Minnesota State Colleges and Universities, on behalf of all participating system Colleges and Universities (hereinafter Minnesota State or Institution), and Customers Bank, a Pennsylvania corporation located at 1015 Penn Avenue, Suite 103, Wyomissing, PA 19610, Customers Bank, an independent contractor, not an employee of the State of Minnesota (hereinafter CONTRACTOR or Customers Bank).

WHEREAS, Minnesota State, pursuant to Minnesota Statutes Chapter 136F, is empowered to procure from time to time certain services, and

WHEREAS, Minnesota State is in need of financial disbursements services, and

WHEREAS, the CONTRACTOR represents it is duly qualified and willing to perform the services set forth in this contract,

NOW, THEREFORE, it is agreed:

1. **TERM OF CONTRACT.** This contract shall be effective on July 23, 2016 or upon the date the final required signature is obtained by Minnesota State, whichever occurs later, and shall remain in effect until July 22, 2021 or until all obligations set forth in this contract have been satisfactorily fulfilled, whichever occurs first. The CONTRACTOR understands that no work should begin under this contract until all required signatures have been obtained and the CONTRACTOR is notified to begin work by Minnesota State’s authorized representative.

Institutions that choose to participate in the agreement, will do so by signing a new Participating Institution Joinder addendum.

2. **CONTRACTOR’S DUTIES.** CONTRACTOR’s duties under this section shall be collectively referred to as the “Services”. The CONTRACTOR will:

   a. Work with each participating College/University (C/U) to arrange for each interested student to have access to a Federal Deposit Insurance Corporation (FDIC) insured Demand Deposit Account (DDA) that will allow for deposits and withdrawals. Deposit transactions can include those initiated electronically, through mail or by phone. Withdrawal transactions can include those initiated by the student directly through use of the DDA Card, online or through paper check;

   b. Designate an account where each participating C/U will wire transfer the funds to be disbursed. For each disbursement, the C/U will provide a flat file with
a. a unique identifier for each student and the amount of the disbursement;

c. Provide a refund selection kit to students who are credit-seeking students enrolled at each participating C/U and work with each participating C/U to furnish (by US Mail within 5 business days of receipt of record for new or replacement card) a generic DDA personalized MasterCard (or other network) debit card (DDA Card) to each student, who elects to receive such a card, which will provide access to each student’s DDA and access to an interactive co-branded or generic website;

d. Work with each participating C/U to create (customized for: each participating institution and maintained by CONTRACTOR) a co-branded secure interactive website or provide a generic website for C/U’s;

e. Provide a convenient online process for all students to choose a disbursement method (deposit directly into DDA or ACH transfer to third party bank account) and manage customized financial services that include a full featured, FDIC insured DDA bank account/checking account without any paper signature required. C/U will grant royalty-free permission to CONTRACTOR to use the C/U name and logo for the purpose of check printing. This permission may be used exclusively by CONTRACTOR and its affiliates for accounts associated with the C/U;

f. Normal availability of funds to students will be as follows: direct deposit into DDA same day, after file processing; ACH transfer to third party bank account - initiated within one business day and may take one to two days to be received by third party bank; paper check (for students who do not elect a preference) will be mailed to satisfy federal deadlines;

g. Provide an integrated refund disbursement system with auto-email notifications that complies with all applicable laws, rules and regulations, including the Higher Education Act under Federal Cash Management Rules and Title IV Regulations, as defined below;

h. Provide each student that chooses a DDA account online access to a range of customized financial services (in compliance with Regulation E) including a full featured checking account that includes online banking with monthly DDA statements, withdrawal transactions initiated by the end-user directly through the use of the DDA Card, online or through paper checks and deposit transactions done online, by mobile phone capture or by mail;

i. Accept all responsibility related to DDA and other services, including fraudulent use of the card by persons other than the student;

j. Work with each participating College/University using various promotional channels, materials and marketing strategies to educate and inform students of the new program and the choices available for disbursement of funds (deposit directly into DDA or ACH transfer to third party bank account);

k. Work with each participating College/University to create and provide various promotional and marketing materials;

l. Provide access to a surcharge-free regional or national ATM Network for each participating College/University’s students, or by another manner permissible pursuant to the Title IV Regulations;

m. Provide C/U ATM placement as mutually agreed upon;

n. Provide online (24 hours/7days a week, with the exception of scheduled maintenance) and toll-free telephone (during normal business hours) customer support for student cardholders to answer questions, troubleshoot cardholder issues and access automated services;

o. Provide separate toll-free telephone customer and help-desk service support for
College/University administration during normal business hours and 24 hours/7 days a week (with the exception of scheduled maintenance) secure online access to reporting and information related to disbursements;
p. Provide Minnesota State access to online activity reports including students served, payments issued, breakdown of payment choices (ACH, deposit to DDA, or check), individual account status, payment/delivery status etc.
q. Comply with all Minnesota State data security requirements as provided to CONTRACTOR prior to the date hereof including the Minnesota Data Practices Act and the Payment Card Industry (PCI) Data Security Standard (DSS) requirements as outlined in Section XI. of this contract; and
r. Perform other services as outlined in its Response to the Request for Proposal to Minnesota State Colleges and Universities dated April 20, 2015 and the Request for Proposals from Minnesota State dated March 2015. In the event of a conflict between these documents, the conflict shall be resolved according to the following order of precedence:
i. This Contract;
ii. CONTRACTOR’S Response to the Request for Proposal dated April 20, 2015; and
iii. The MINNESOTA STATE Request for Proposals dated March 2015.
s. Distributions of a Title IV credit balance and non-Title IV funds (“Disbursements”) that constitute Federal Student Aid credit balances under Title IV of the Higher Education Act of 1965 (the “Title IV Regulations”) will be directly paid to Users within the timeframes set forth in the cash management regulations promulgated by the U.S. Department of Education (“ED”) under the Title IV Regulations. Students shall have the option to receive Disbursements deposited directly through an electronic ACH transfer to a third party bank account, or directly into a financial account offered by Customers Bank. If a student does not have a valid refund preference selection and such Disbursement is subject to the Title IV Regulations, Customers Bank shall issue a check to such student within the meaning of the Title IV Regulations no later than the timeframe set forth by the Title IV Regulations. To initiate the Disbursement, Minnesota State will provide to Customers Bank data indicating recipients of funds. To confirm the disbursement request, Minnesota State must wire transfer the funds to an account designated by Customers Bank.

3. **Minnesota State AND PARTICIPATING COLLEGE/UNIVERSITY RESPONSIBILITIES.** Minnesota State and any participating College/University understands and agrees that Customers Bank’s performance of its obligations is dependent upon the Minnesota State’s and any participating College/University’s cooperation and timely performance of certain tasks and obligations. These tasks and obligations are set forth below and shall include, but are not limited to:

a. assigning adequate personnel to assist Customers Bank in the performance of the Services and providing assistance to and coordinating with third party providers of the equipment, hardware, and all related electronic equipment and any computer programs (source code, object code and executable form), used in conjunction with the administration of the Services (the “Institution System”) to facilitate the timely implementation and performance of the Services;
b. providing any technical data and other technical information necessary for access to the Institution System and for the performance of the Services;
c. facilitating any integration and coordinating with the Institution System third party vendors in order to connect the Services with the Institution System;

d. maintaining and operating all of the features and functionalities of the Institution System protecting all information stored on the Institution System;

e. assisting Customers Bank in the design of marketing information related to the Services;

f. providing Customers Bank the right to have marketing materials related to the Services included within Minnesota State and any participating College/University mailings to students, continuing to remain responsible for any expenses, including postage, relating to the Institution distributed mailings to students;

g. refraining from entering into any agreement or similar relationship with any other third party provider relating to refund disbursement in which the third party provider will begin disbursing Title IV refunds to Institution’s students prior to the termination of this Contract;

h. providing (i) access to and assistance with marketing information related to the Services to be distributed to students by Minnesota State and any participating College/University and (ii) timely decisions and approvals necessary for the timely delivery of the Services;

i. providing necessary data to Customers Bank to perform the Services;

j. reviewing, on an annual basis, Customers Bank’s policies and procedures as set forth in Customers Bank’s Department of Education Compliance Handbook pertaining to the Services;

k. conducting reasonable due diligence reviews at least every two years, with the first review to be completed by July 1, 2018, in accordance with the Title IV Regulations;

l. disclosing, conspicuously on its website, no later than September 1, 2016, this Agreement and providing to the Secretary of the ED an updated URL containing this contract for publication in a centralized database accessible to the public; provided, however that the parties shall have the right to redact from this contract any information that, if disclosed, would compromise either party’s personal privacy, proprietary information, or the security of information technology or of physical facilities;

m. disclosing, conspicuously on its website no later than September 1, 2017, the total consideration for the most recently completed award year paid to or received by the parties under the terms of this contract or any other agreements between Customers Bank and Minnesota State and any participating College/University concerning the Services;

n. disclosing, conspicuously on its website, no later than September 1, 2017, the number of accounts opened under this contract, and the mean and median actual costs incurred by accountholders for the previous calendar year, during any year in which the Minnesota State and any participating College/University enrolled students open thirty (30) or more financial accounts;

o. providing Customers Bank the date on which a credit balance is created; and executing Customers Bank’s Institutional Purpose Verification form if the DDA card serves an institutional purpose.

When providing data to Customers Bank to aid in the disbursement of student funds, the Institution agrees that it will not send Customers Bank either the full or partial social security number for any User.

4. CONSIDERATION AND TERMS OF PAYMENT:

a. Consideration for all services performed and goods or materials supplied by the CONTRACTOR pursuant to this contract shall be paid by Minnesota State as follows:

i. Compensation will include the annual institutional subscription fee of Seven Thousand Five Hundred and no/100th ($7,500.00) Dollars for each participating College/University in
addition to a per check fee of Two and 50/100th ($2.50) Dollars for checks issued beyond the institutional Annual Paper Check Allotment listed below:

<table>
<thead>
<tr>
<th>Minnesota State Institution Name</th>
<th>Annual Paper Check Allotment**</th>
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<tbody>
<tr>
<td>Alexandria Technical &amp; Community College</td>
<td>1,000</td>
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<tr>
<td>Anoka Technical College*</td>
<td>1,000</td>
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<tr>
<td>Anoka-Ramsey Community College</td>
<td>3,000</td>
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<tr>
<td>Bemidji State University</td>
<td>1,500</td>
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<tr>
<td>Central Lakes College-Brainerd*</td>
<td>2,000</td>
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<tr>
<td>Century College*</td>
<td>5,000</td>
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<tr>
<td>Dakota County Technical College*</td>
<td>1,500</td>
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<tr>
<td>Fond du Lac Tribal and Community College*</td>
<td>1,000</td>
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<tr>
<td>Hennepin Technical College</td>
<td>2,000</td>
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<tr>
<td>Hibbing Community College</td>
<td>500</td>
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<tr>
<td>Inver Hills Community College*</td>
<td>2,500</td>
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<tr>
<td>Itasca Community College</td>
<td>500</td>
</tr>
<tr>
<td>Lake Superior College*</td>
<td>2,500</td>
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<tr>
<td>Mesabi Range Community and Technical</td>
<td>500</td>
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<tr>
<td>Metropolitan State University*</td>
<td>3,500</td>
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<tr>
<td>Minneapolis Community and Technical</td>
<td>4,000</td>
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<tr>
<td>Minnesota State College-Southeast Technical</td>
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<tr>
<td>Minnesota State Community and Technical</td>
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<tr>
<td>Minnesota State University-Mankato</td>
<td>5,000</td>
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<tr>
<td>Minnesota State University-Moorhead</td>
<td>2,000</td>
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<tr>
<td>Minnesota West Community and Technical</td>
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<tr>
<td>Normandale Community College</td>
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<tr>
<td>North Hennepin Community College*</td>
<td>3,000</td>
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<tr>
<td>Northland Community and Technical</td>
<td>1,000</td>
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<tr>
<td>Northwest Technical College</td>
<td>500</td>
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<tr>
<td>Pine Technical College*</td>
<td>500</td>
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<tr>
<td>Rainy River Community College</td>
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<tr>
<td>Ridgewater College</td>
<td>1,000</td>
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<tr>
<td>Riverland Community College*</td>
<td>1,500</td>
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<tr>
<td>Rochester Community and Technical</td>
<td>2,500</td>
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<tr>
<td>Saint Cloud State University</td>
<td>5,000</td>
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<tr>
<td>Saint Paul College*</td>
<td>3,000</td>
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<tr>
<td>South Central College</td>
<td>1,000</td>
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<tr>
<td>Southwest Minnesota State University</td>
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<tr>
<td>St Cloud Technical and Community College</td>
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<tr>
<td>Vermilion Community College</td>
<td>500</td>
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<tr>
<td>Winona State University</td>
<td>3,000</td>
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</tbody>
</table>
* Institution currently uses Customers Bank. Paper check allotment for these institutions is based on refund disbursement history. Based on current and historical transaction volume we do not anticipate that the 14 institutions currently utilizing Customers Bank will exceed this allotment.

**Additional paper checks in excess of Paper Check Allotment: $2.50 per check

The total obligation of Minnesota State for all compensation and reimbursement to the CONTRACTOR shall not exceed Seven Thousand Five Hundred and no/100th ($7,500.00) Dollars per year for each participating College/University, in addition to any per check fees per institution for checks issued beyond the Annual Paper Check Allotment listed above.

ii. Terms of Payment.

iii. Payment shall be made by participating institution promptly after the CONTRACTOR’S presentation of invoices for services performed and acceptance of such services by participating institution’s authorized representative. All services provided by the CONTRACTOR pursuant to this contract shall be performed to the satisfaction of Minnesota State, as determined at the sole discretion of its authorized representative, and in accordance with all applicable federal, state and local laws, ordinances, rules and regulations. The CONTRACTOR shall not receive payment for work found by Minnesota State to be unsatisfactory or performed in violation of any applicable federal, state or local law, ordinance, rule or regulation. Invoices shall be presented by CONTRACTOR according to the following schedule:

1. Invoices will be sent to each participating institution on the anniversary of the effective date of this contract for each year during the term of this contract. If a participating College/University signs a participating institution joinder agreement, the fee will be prorated based on the date the participating institution joinder is signed. Once approved, payment will be processed within thirty (30) days in accordance with Minnesota Statute § 16A.124.

iv. Nonresident Aliens. Pursuant to 26 U.S.C. §1441, Minnesota State is required to withhold certain federal income taxes on the gross compensation paid to nonresident aliens, as defined by Internal Revenue Code §7701(b). Minnesota State will withhold all required taxes unless and until CONTRACTOR submits documentation required by the Internal Revenue Service indicating that CONTRACTOR is a resident of a country with tax treaty benefits. Minnesota State makes no representations regarding whether or to what extent tax treaty benefits are available to CONTRACTOR. To the extent that Minnesota State does not withhold these taxes for any reason, CONTRACTOR agrees to indemnify and hold Minnesota State harmless for any taxes owed and any interest or penalties assessed.

5. AUTHORIZED REPRESENTATIVES. All official notifications, including but not limited to, cancellation of this contract must be sent to the other party’s authorized representative.

a. Minnesota State’s authorized representative for the purpose of administration of this contract is:

Name: Michael Noble-Olson / Chief Procurement Officer
Address: 30 7th Street East, Suite 350, St. Paul, MN 55101
Telephone: 651-201-1445
E-Mail: michael.noble-olson@so.mnscu.edu
Such representative shall have final authority for acceptance of the CONTRACTOR’S services and, if such services are accepted as satisfactory, shall so certify on each invoice presented pursuant to Clause III, paragraph B.

b. The CONTRACTOR’S authorized representative for the purpose of administration of this contract is:

Name: Contract Administrator
Address: 115 Munson Street, New Haven, CT 06511
Telephone: 203-776-7776, ext. 4454
E-Mail: contracts@higherone.com

6. CANCELLATION AND TERMINATION:

a. If either party fails to perform any of its material obligations under this contract (including failure to pay any amounts when due) and does not cure such failures within sixty (60) days (or such other time period as may be provided hereunder) after being given written notice specifying the nature of the failure, then the non-defaulting party may, by giving written notice to the other party, terminate this contract as of the date specified in such notice of termination. Notwithstanding anything in this contract to the contrary, this contract may be terminated immediately for cause at any time by written notice given by either party upon any final determination by any court that this contract or any material aspect of the activities to be conducted hereunder is illegal as a matter of law where the parties cannot in good faith negotiate an amendment to the contract or such activities to bring it or them into compliance after 120 days of such final determination. Notwithstanding the foregoing, in the event that a change in the applicable laws, regulations and rules promulgated by a state or the federal government, or any agency or department thereof (collectively, “Government Rules”), or a change in the interpretation of such Government Rules, results in Customers Bank no longer being able to offer the Services in a commercially reasonable manner as determined by Customers Bank, Customers Bank shall have the right to terminate this contract without penalty upon 180 days notice to the Institution.

Any Minnesota State school that participates under this master agreement may terminate its participation at any time, with or without cause, upon thirty (30) days written notice to the CONTRACTOR. In the event of such a cancellation, the CONTRACTOR shall be entitled to payment, determined on a pro rata basis, for work or services satisfactorily performed.

b. Termination for Insufficient Funding. Minnesota 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 covered here. Termination must be by written or fax notice to the CONTRACTOR within a reasonable time of Minnesota State receiving notice that sufficient funding is not available. Minnesota 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 work or services satisfactorily performed to the extent that funds are available. Minnesota 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.

c. The Institution may terminate the Agreement in accordance with the requirements set forth in 34 C.F.R. §668.164(e)(2)(ix) of the Regulations.
7. **ASSIGNMENT.** The CONTRACTOR shall neither assign nor transfer any rights or obligations under this contract without the prior written consent of Minnesota State. Notwithstanding the preceding sentence, Customers Bank may assign this contract to any person or entity that succeeds it by merger or acquisition.

8. **EXCLUSIONS OF WARRANTIES AND LIMITATION OF LIABILITY.** EXCEPT FOR REPRESENTATIONS OR WARRANTIES EXPRESSLY MADE IN THIS CONTRACT, CUSTOMERS BANK MAKES NO, AND HEREBY DISCLAIMS ALL, REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AT LAW OR IN EQUITY (INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE OR NONINFRINGEMENT) TO THE INSTITUTION, OR TO ANY OTHER PERSON, WITH RESPECT TO ANY SERVICES OR MATERIALS PROVIDED HEREUNDER. NEITHER CUSTOMERS BANK NOR THE INSTITUTION SHALL HAVE ANY LIABILITY TO THE OTHER PARTY FOR ANY INDIRECT, SPECIAL, OR CONSEQUENTIAL DAMAGES, UNDER ANY THEORY OF LIABILITY (WHETHER LEGAL OR EQUITABLE), AND IN NO EVENT SHALL THE AGGREGATE LIABILITY OF EITHER PARTY TO THE OTHER PARTY UNDER THIS CONTRACT EXCEED THE TOTAL AMOUNT OF FEES RECEIVED BY CUSTOMERS BANK FROM MINNESOTA STATE UNDER THIS CONTRACT FOR THE SIX (6) MONTHS IMMEDIATELY PRECEDING THE EVENT GIVING RISE TO SUCH LIABILITY.

9. **COMPLIANCE AND WARRANTIES OF PARTIES**

9.1 **Compliance.** Customers Bank and the Minnesota State shall comply in all material respects with any Government Rules and any written operating rules and regulations required by third party providers, including but not limited to VISA and MasterCard® (as applicable) (collectively, "Operating Rules") applicable to the Services and/or the performance of their obligations hereunder including, but not limited to the Title IV Regulations and the operative interpretation of such regulations by ED. Minnesota State and Customers Bank further agree that neither shall be obligated to comply with the terms of this contract, or any portion thereof, if doing so would cause such party to be in violation of Government Rules including, but not limited to, Title IV Regulations. In the event that there is a conflict between the terms of this contract and any of Government Rules or any interpretations thereof by an applicable regulator or court of competent jurisdiction, Government Rules shall govern. Minnesota State agrees that it shall determine, in its sole discretion, whether it has entered into a tier two arrangement per the Title IV Regulations and that it will notify Customers Bank of any such arrangement. If Minnesota State determines it has entered into a tier two arrangement, Minnesota State and/or the other party subject to the tier two arrangement shall be responsible for compliance with all applicable Government Rules.

9.2 **Customers Bank.** Customers Bank represents and warrants that: (i) its performance of the Services materially complies with all applicable Government Rules; (ii) none of the computer programs (source and object code and executable form), communications protocols, specifications, layouts, flow charts, manuals and instruction books, websites, content, designs, logos, proprietary methods, marketing strategies and operational guidelines, as provided by Customers Bank to Minnesota State, or developed and used by Customers Bank in the course of performing the Services (collectively, "Customers Bank Materials") contain any defamatory, damaging, obscene or offensive materials, or any materials that knowingly infringe or breach any third party’s copyrights, trade secrets or other intellectual property rights; and (iii) all storage, maintenance and use of any data or information of Minnesota State that is provided to Customers Bank in the performance of its obligations under this contract ("Institution Data") by Customers Bank will materially be in compliance with all Government Rules.

9.3 **Title IV Program Compliance.** Customers Bank agrees to the following: (i) to comply with all statutory or regulatory provisions, and special arrangements, agreements, limitations,
suspensions, and terminations entered into under a Title IV of the Higher Education Act program ("Title IV HEA Program"); (ii) to refer to the ED Office of Inspector General for Investigations any information indicating there is reasonable cause to believe either: (a) Minnesota State might have engaged in fraud or other criminal misconduct in connection with the Institution’s administration of any Title IV HEA Program, or (b) an applicant for Title IV HEA Program assistance might have engaged in fraud or other criminal misconduct in connection with his or her application; (iii) to be jointly and severally liable with Minnesota State for any violation by Customers Bank of any statutory or regulatory provisions, and special arrangements, agreements, limitations, suspensions, and terminations entered into under the Title IV HEA Program; (iv) to make available to Minnesota State all records in Customers Bank’s possession pertaining to Minnesota State’s participation in the program or programs for which the Services are no longer provided, if this contract is terminated, or Customers Bank stops providing the Services, goes out of business, or files a petition under the US Bankruptcy Code; and (v) to submit any required compliance audit to the U.S. Department of Education.

9.4 Institution. Minnesota State represents and warrants to Customers Bank that: (i) it has obtained in writing any licenses, permits, registrations, waiver or other authorizations from any party necessary for Customers Bank to access and use the Institution Data and Institution System to perform the Services; (ii) the Institution Data is complete and accurate, to the best of the Institution’s knowledge, and the Institution has reasonable and appropriate procedures to insure same; and (iii) the Institution Data and the Institution System do not contain any defamatory, damaging, obscene or offensive materials, or any materials that infringe or breach any third party’s copyrights, trade secrets or other intellectual property rights.

10. CONFIDENTIALITY

10.1 Confidential Information. Customers Bank and Minnesota State each acknowledges that confidential and proprietary information that has commercial value to the disclosing party in its business that is not in the public domain will be disclosed to the other party. For purposes of this contract, “Confidential Information” shall mean information properly classified as private, confidential, or non-public under the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, including a “Trade Secret” under Minn. Stat. 13.37.

10.2 Obligations. Each party shall only use the Confidential Information of the other party to perform its obligations under this contract. Each party will use at least the same degree of care, but not less than reasonable care, and to the extent permitted by Government Rules, to prevent any disclosure to third parties of the Confidential Information of the other party as it employs to avoid unauthorized disclosure, publication or dissemination of its own information of a similar nature; provided, however, that each party may disclose such information to its employees, agents, subcontractors and vendors who have a need to know such information, who have been advised by the disclosing party of the obligation to preserve such information’s confidentiality, and who have entered into a written confidentiality agreement containing obligations materially similar to those contained in this Section. The disclosing party shall be responsible for any breach by any of its employees, agents, subcontractors or vendors of any such confidentiality obligations. Upon expiration or termination of this contract for any reason, each party shall return promptly to the other party all Confidential Information in such party’s possession and certify in writing to the other party its compliance with this sentence.

10.3 Personal Identifying Information. When providing data to Customers Bank to aid in the disbursement of student funds, Minnesota State agrees that it will not send Customers Bank either the full or partial social security number for any student.
10.4 Exclusions. Notwithstanding the foregoing, this Section will not apply to any Confidential Information of a party that the other party can demonstrate as evidenced by written records: (i) was, at the time of disclosure to it, in the public domain; (ii) after disclosure to it, is published or otherwise becomes part of the public domain through no fault of the receiving party; (iii) was in the possession of the receiving party at the time of disclosure not subject to any confidentiality obligation; (iv) was received after disclosure to it from a third party who had a lawful right to disclose such information to it; (v) was independently developed by or for the receiving party without reference to Confidential Information of the furnishing party; or (vi) may be required to be disclosed under Government Rules, or as may be required to comply with legal process, provided, however, that the disclosing party shall first give the other party notice of any such disclosure and shall only disclose so much of the other party’s Confidential Information as is necessary to comply with the applicable legal requirement or process. Institution Data shall not be deemed Confidential Information for purposes of this Section but shall be subject to Section 10.

11. INSTITUTION DATA

11.1 Customers Bank. Customers Bank agrees to store and use the Institution Data in compliance with all Government Rules and in accordance with industry standards. Customers Bank shall share the Institution Data with third parties solely as necessary to provide the Services hereunder or as may be required to be disclosed under Government Rules or to comply with legal processes. All personal information will be handled per Customers Bank’s privacy policy (as may be revised from time to time) and in accordance with the Family Educational Rights and Privacy Act (Buckley Amendment) and the Gramm-Leach-Bliley Act, as applicable.

11.2 Institution. Minnesota State understands and agrees that, to the extent applicable under the provisions of Government Rules, it may be subject to examination by regulatory entities for the Services provided in connection with this contract. In addition, Minnesota State shall comply with all applicable requirements of Government Rules by taking appropriate measures to ensure the security, confidentiality, availability and integrity of all Institution Data and Confidential Information and to protect against unauthorized access to or use of such information.

12. OWNERSHIP

12.1 Customers Bank. Customers Bank shall be the sole and exclusive owner of the Customers Bank Materials, banking and Customers Bank related items on the Customers Bank mag-stripe MasterCard® (or other network) debit card that will be provided to each Customers Bank Account holder (“Debit Card”), and any and all proprietary rights in any trademarks, copyrights, trade secrets, patents and patent applications, renewals, extensions, continuations, divisions or reissues, in whole or in part, now or hereafter in force, and any foreign counterparts (collectively, “Intellectual Property Rights”) in and to them and their derivative works and improvements (as each of those terms is defined and applied under Title 17 and Title 35 U.S.C., respectively) by whomever developed or created. No ownership of the Customers Bank Materials or the Intellectual Property Rights in and to them shall be transferred to the Institution.

12.2 Institution. Minnesota State is and shall be the sole and exclusive owner of the Institution System, Institution related items on the Debit Card, and all Intellectual Property Rights therein.

13. LIABILITY. The CONTRACTOR shall indemnify, save, and hold Minnesota State, its representatives and employees harmless from any and all claims or causes of action, including all attorney’s fees incurred by Minnesota State, arising from the performance of this contract by the CONTRACTOR or CONTRACTOR’S agents or employees. This clause shall not be construed
to bar any legal remedies the CONTRACTOR may have for Minnesota State’s failure to fulfill its obligations pursuant to this contract.

14. WORKERS’ COMPENSATION. The CONTRACTOR certifies it is in compliance with Minnesota Statutes § 176.181, subd. 2 pertaining to workers’ compensation insurance coverage. The CONTRACTOR’S employees and agents will not be considered Minnesota State employees. Any claims that may arise under the Minnesota Workers’ Compensation Act on behalf of these employees or agents and any claims made by any third party as a consequence of any act or omission on the part of these employees or agents are in no way Minnesota State’s obligation or responsibility.

15. MINNESOTA STATUTES § 181.59.

The Contractor will comply with the provisions of Minnesota Statutes § 181.59 which require:

Every contract for or on behalf of the State of Minnesota, or any county, city, town, township, school, school district, or any other district in the state, for materials, supplies, or construction shall contain provisions by which the contractor agrees: (1) that, in the hiring of common or skilled labor for the performance of any work under any contract, or any subcontract, no contractor, material supplier, or vendor, shall, by reason or race, creed, or color, discriminate against the person or persons who are citizens of the United States or resident aliens who are qualified and available to perform the work to which the employment relates; (2) that no contractor, material supplier, or vendor, shall, in any manner, discriminate against, or intimidate, or prevent the employment of any person or persons identified in clause (1) of this section, or on being hired, prevent, or conspire to prevent, the person or persons from the performance of work under any contract on account of race, creed, or color; (3) that a violation of this section is a misdemeanor; and (4) that this contract may be canceled or terminated by the state, county, city, town, school board, or any other person authorized to grant the contracts for employment, and all money due, or to become due under the contract, may be forfeited for a second or any subsequent violation of the terms or conditions of this contract.

16. DATA DISCLOSURE.

a. As a condition of this contract, CONTRACTOR is required by Minn. Stat. §270C.65 to provide a social security number, a federal tax identification number or Minnesota tax identification number. This information may be used in the enforcement of federal and state tax laws. These numbers will be available to federal and state tax authorities and state personnel involved in approving the contract and the payment of state obligations. Supplying these numbers could result in action to require CONTRACTOR to file state tax returns and pay delinquent state tax liabilities. This contract will not be approved unless these numbers are provided.

b. Independent Contractors. Minn. Stat. §256.998 requires Minnesota State to report the name, address and social security number of independent contractors to the New Hire Reporting Center of the Minnesota Department of Human Services unless this Contract is for less than two months in duration with gross earnings of less than $250.00 per month. This information may be used by state or local child support enforcement authorities in the enforcement of state and federal child support laws.

17. GOVERNMENT DATA PRACTICES ACT. The requirements of Minnesota Statutes § 13.05, subd. 11 apply to this contract. The CONTRACTOR and Minnesota State must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all

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data provided by Minnesota State in accordance with this contract, and as it applies to all data, created, collected, received, stored, used, maintained, or disseminated by the CONTRACTOR in accordance with this contract. The civil remedies of Minnesota Statute §13.08 apply to the release of the data referred to in this clause by either the CONTRACTOR or Minnesota State.

In the event the CONTRACTOR receives a request to release the data referred to in this clause, the CONTRACTOR must immediately notify Minnesota State. Minnesota State will give the CONTRACTOR instructions concerning the release of the data to the requesting party before the data is released.

18. INTELLECTUAL PROPERTY. The CONTRACTOR represents and warrants that any materials, plans, specifications, documents, software or intellectual property of any kind produced or used under this contract (MATERIALS) do not and will not infringe upon any intellectual property rights of another, including, but not limited to, patents, copyrights, trade secrets, trade names, and service marks and names. The CONTRACTOR shall indemnify and defend, to the extent permitted by the Attorney General, Minnesota State at the CONTRACTOR’S expense from any action or claim brought against Minnesota State to the extent that it is based on a claim that all or part of the MATERIALS infringe upon the intellectual property rights of another. The CONTRACTOR shall be responsible for payment of any and all such claims, demands, obligations, liabilities, costs and damages, including, but not limited to, reasonable attorney fees arising out of this contract, amendments and supplements thereto, which are attributable to such claims or actions.

If such a claim or action arises, or in the CONTRACTOR’S or Minnesota State’s opinion is likely to arise, the CONTRACTOR shall, at Minnesota State’s discretion, either procure for Minnesota State the right or license to continue using the MATERIALS at issue or replace or modify the allegedly infringing MATERIALS. This remedy shall be in addition to and shall not be exclusive to other remedies provided by law.

19. JURISDICTION AND VENUE. This contract, and amendments and supplements thereto, shall be governed by the laws of the State of Minnesota. Venue for all legal proceedings arising out of this contract, or breach thereof, shall be in the state or federal court with competent jurisdiction in Ramsey County, Minnesota.

20. AMENDMENTS. Any amendments to this contract shall be in writing and shall be executed by the same parties who executed the original contract, or their successors in office.

21. STATE AUDITS. The books, records, documents, and accounting procedures and practices of the CONTRACTOR relevant to this contract shall be subject to examination by Minnesota State and the Legislative Auditor for a minimum of six (6) years from the end of the contract.

22. ANTITRUST. The CONTRACTOR hereby assigns to the State of Minnesota any and all claims for overcharges as to goods or services provided in connection with this Master Contract and any Work Order Contract resulting from antitrust violations which arise under the antitrust laws of the United States or the antitrust laws of the State of Minnesota.


24. INSURANCE.
a. CONTRACTOR shall submit an ACORD Certificate of Insurance to Minnesota State's authorized representative prior to execution of the contract.

b. CONTRACTOR shall maintain and furnish satisfactory evidence of the following:
   
   i. **Workers' Compensation Insurance.** CONTRACTOR must provide workers’ compensation insurance for all its employees and, in case any work is subcontracted, CONTRACTOR shall 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, at limits not less than $100,000.00 bodily injury by disease per employee; $500,000.00 bodily injury by disease aggregate; and $100,000.00 bodily injury by accident.

   ii. **Commercial General Liability.** CONTRACTOR shall maintain a comprehensive commercial general liability insurance (CGL) policy protecting it from bodily injury claims and property damage claims which may arise from operations under the contract whether the operations are by CONTRACTOR or by a subcontractor or by anyone directly or indirectly employed under the contract. The minimum insurance amounts will be:

       \[
       \begin{align*}
       &\text{\$1,000,000.00 per occurrence} \\
       &\text{\$2,000,000.00 annual aggregate}
       \end{align*}
       \]

       In addition, the following coverages shall be included:

       - Products and Completed Operations Liability
       - Contractual Liability as provided in Insurance Services Office (ISO) form CG 00 01 04 13 or its equivalent
       - Commercial General Liability Coverage Form – CG 00 01 04 13 or its equivalent

       Name the following as Additional Insureds, to the extent permitted by law:
       - The Board of Trustees of the Minnesota State Colleges and Universities and its officers and members;
       - Any participating Minnesota State College/University

   iii. **Commercial Automobile Liability.** CONTRACTOR shall maintain insurance protecting it from bodily injury claims and property damage claims resulting from the ownership, operation, maintenance or use of all owned, hired, and non-owned autos which may arise from operations of vehicles under the contract, and in case any work is subcontracted the CONTRACTOR will require the subcontractors to maintain Commercial Automobile Liability insurance. The minimum insurance amounts will be:

       \[
       \begin{align*}
       &\text{\$1,000,000.00 per occurrence Combined Single Limit (CSL) for bodily injury and property damage}
       \end{align*}
       \]

       In addition, the following coverages should be included:

       - Owned, Hired, and Non-owned

c. **Additional Insurance Conditions:**
   - CONTRACTOR’S policy(ies) shall be primary insurance to any other valid and collectible insurance available to Minnesota State 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
coverage herein, CONTRACTOR agrees to notify Minnesota 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 Minnesota State.
• CONTRACTOR is responsible for payment of Contract related insurance premiums and
deductibles;
• CONTRACTOR’S policy(ies) shall include legal defense fees in addition to its liability
policy limits;
• The insurance policies will be issued by a company or companies having an “A.M. Best
Company” financial strength rating of A- (Excellent) or better and authorized to do
business in the State of Minnesota prior to execution of the Contract.
• 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.

d. Errors and Omissions (E & O) Insurance.

CONTRACTOR shall maintain insurance protecting it from claims CONTRACTOR may become
legally obligated to pay resulting from any actual or alleged negligent act, error or omission
related to CONTRACTOR’s services required under this contract. The minimum insurance
amounts will be:

$2,000,000.00 per occurrence
$2,000,000.00 annual aggregate

CONTRACTOR shall submit a certified financial statement providing evidence CONTRACTOR
has adequate assets to cover any applicable E & O policy deductible.

e. Minnesota State reserves the right to immediately terminate the contract if CONTRACTOR is not
in compliance with the insurance requirements and retains all rights to pursue any legal remedies
against CONTRACTOR. All insurance policies must be available for inspection by Minnesota
State and copies of policies must be submitted to Minnesota State’s authorized representative
upon written request.

25. AFFIRMATIVE ACTION REQUIREMENTS FOR CONTRACTS IN EXCESS OF
$100,000.00 AND THE CONTRACTOR HAS MORE THAN 40 FULL-TIME
EMPLOYEES IN MINNESOTA OR ITS PRINCIPAL PLACE OF BUSINESS.

Minnesota State intends to carry out its responsibility for requiring affirmative action by its
CONTRACTORS.

a. Covered Contracts and Contractors. If the contract exceeds One Hundred Thousand and 00/100
Dollars ($100,000.00) and the CONTRACTOR employed more than forty (40) full-time
employees on a single working day during the previous twelve (12) months in Minnesota or in the
state where it has its principle place of business, then the CONTRACTOR must comply with the
requirements of Minnesota Statute §363A.36 and Minnesota R. Parts 5000.3400-5000.3600. A
CONTRACTOR covered by Minnesota Statute §363A.36 because it employed more than forty
(40) full-time employees in another state and the CONTRACTOR does not have a Certificate of
Compliance, said CONTRACTOR must certify that it is in compliance with federal affirmative
action requirements.
b. Minnesota Statute §363A.36. Minnesota Statute §363A.36 requires CONTRACTOR to have an affirmative action plan for the employment of minority persons, women, and qualified disabled individuals approved by the Minnesota Commissioner of Human Rights (hereinafter COMMISSIONER) as indicated by a certificate of compliance. The law addresses suspension or revocation of a certificate of compliance and contract consequences in that event. A contract awarded without a certificate of compliance may be voided.

c. Minnesota R. 5000.3400-5000.3600.

   i. General. Minnesota R. 5000.3400-5000.3600 implement Minnesota Statute §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 Minnesota R. 5000.3400-5000.3600, including, but not limited to, parts 5000.3420-5000.3560 and 5000.3552-5000.3559.

   ii. Disabled Workers. The CONTRACTOR must comply with the following affirmative action requirements for disabled workers.

      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.

      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.

      3. In the event of the CONTRACTOR'S noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with Minnesota Statute §363A.36, and the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.

      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 of the Minnesota Department of Human Rights. 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.

      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 Minnesota Statute §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.

iii. 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 Minnesota State.

iv. Certification. The CONTRACTOR hereby certifies it is in compliance with the requirements of Minnesota Statutes § 363A.36 and Minnesota R. 5000.3400-5000.3600 and is aware of the consequences for noncompliance.

26. EQUAL PAY CERTIFICATION REQUIREMENTS FOR CONTRACTS IN EXCESS OF $500,000.00 AND THE CONTRACTOR HAS MORE THAN 40 FULL-TIME EMPLOYEES IN MINNESOTA OR ITS PRIMARY PLACE OF BUSINESS.

Minnesota State intends to carry out its responsibility for requiring equal pay by its CONTRACTORS.

a. Covered Contracts and Contractors. If the amount of this contract is in excess of $500,000.00 and the CONTRACTOR has 40 or more full-time employees in Minnesota or a state where the business has its primary place of business on a single day during the prior 12 months, the CONTRACTOR must comply with the requirements of Minnesota Statutes §363A.44 prior to contract execution. CONTRACTOR must obtain an Equal Pay Certificate from the Minnesota Department of Human Rights (MDHR) or claim an exemption prior to CONTRACT execution. CONTRACTOR is exempt if it has not employed more than 40 full-time employees on any single working day in one state during the previous 12 months. A certificate is valid for four years.

i. Consequences. The consequences for the CONTRACTOR’S failure to secure and comply with Minnesota Statutes §363A.44 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, and termination of all or part of this contract by the COMMISSIONER or Minnesota State.

ii. Certification. The CONTRACTOR hereby certifies it is in compliance with the requirements of Minnesota Statutes §363A.44 and applicable rules and regulations and is aware of the consequences for noncompliance.

27. OTHER PROVISIONS.

The rest of this page intentionally left blank. Signature page to follow.
IN WITNESS WHEREOF, the parties have caused this contract to be duly executed intending to be bound thereby.

APPROVED:

1. **CONTRACTOR:** Customers Bank
   CONTRACTOR certifies that the appropriate person(s) have executed the contract on behalf of CONTRACTOR as required by applicable articles, by-laws, resolutions, or ordinances.
   
   By (authorized signature and printed name)  
   
   Title  
   COO, EVP, Bankmobile Disbursements  
   
   Date  
   7-11-16  

   By (authorized signature and printed name)  
   
   Title  
   
   Date  

2. **MINNESOTA STATE COLLEGES AND UNIVERSITIES:**
   
   By (authorized signature and printed name)  
   
   Title  
   
   Date  
   7/13/14  

3. **AS TO FORM AND EXECUTION:**
   
   By (authorized signature and printed name)  
   
   Title  
   
   Date  
   7/15/16