

i-SIGMA MULTI-LOCATION CERTIFICATION PROGRAM

(For Companies with 25 or more Branches)



Program Overview

Qualifications for Program

In order to qualify for the program, an applicant must have at least twenty-five (25) locations and the applicant must be committed to achieving 100% compliance with the i-SIGMA Certification specifications at *all* information destruction-related and/or RIM locations and agreeing that all such facilities will be subject to the scrutiny of audits on an i-SIGMA Chapter basis.

Fees

Locations will be audited at the standard Certification fee as listed in the most up-to-date versions of the application(s).

Where an Applicant's records are maintained in a centralized manner and subsequently requires its own separate audit, there will be an additional annual Headquarters Audit for an additional fee.

Fees are to be paid at the time of the application submission.

Initial Application and Audit Process

If a Company wishes to become Certified under the Multi-location program, it must submit an application that lists all the locations of the Company in that chapter, and also includes a tentative schedule for the initial audit of one-third of the applicant's locations. This schedule submitted by the applicant must be approved by i-SIGMA.

A Headquarters Audit (if necessary) and audits of one-third of the applicant's locations are required.

In the event that these audits reveal violations of i-SIGMA specifications standards that the Membership Resolution Council (MRC) believes potentially expose client information to unauthorized access, the MRC could increase the number of sites subject to the initial year audit to a number that would afford a statistically significant sampling to determine if the identified violations were sufficiently widespread to render the applicant not qualified for certification.

i-SIGMA will notify the Company in writing when it has achieved Certified Company status. The applicant may not make any reference regarding an enterprise-wide Certification until they are in receipt of the official notice from i-SIGMA.

Re-Audit Process and Unannounced Audits

After successful completion of the initial application and audit process, and notification that the Company is Certified, the Multi-location Company will be audited as follows:

- a) One-third of the Company's locations shall be audited each year on a scheduled, announced basis at the standard operation-type fee(s). The selection of the locations shall be in a manner that all locations are audited over a 3-year period.
- b) All of the Company's locations are subject to unannounced audits.

This Multi-location Certification Program will not change without being agreed upon by the Certification Committee. This limitation does not include any modification to an audit schedule that is made on a company-specific basis as a result of a series of a Company's transgressions over time. Such company-specific modifications to the Multi-location audit schedule would, however, be considered a change that is subject to established due process and i-SIGMA Board of Directors' approval.

The logic for conducting audits of less than all of a Multi-location Company's location each year is that the number of locations audited (one-third on a scheduled basis, plus random unannounced audits of other locations) constitutes a representative sample of the Applicant's sites. Therefore, the enterprise wide NAID and/or Privacy+ Certification status is dependent upon and measured by the **cumulative results** of each year's audits.

An audit failure of a single location of a Multi-location Company may result automatically in such Company losing its NAID and/or Privacy+ Certified status. However, evidence of serious breaches of i-SIGMA standards (particularly breaches that might allow unauthorized access to confidential customer media) may lead to heightened scrutiny of the Company at the discretion of the Membership Resolution Council (MRC).

Non-compliance/Transgressions and Due Process

If the Membership Resolution Council (MRC) becomes sufficiently concerned over a pattern of transgressions at a Company because of results of audits, it may result in the filing of a complaint within the MRC. The MRC would use the same due process established for all ethical transgressions in formulating its recommendations to the i-SIGMA Board of Directors. The i-SIGMA Board of Directors would ultimately decide to approve, modify or deny the MRC recommendations. As the final element of due process, a member appeal of an i-SIGMA Board decision would be afforded to the Respondent in the complaint.

The MRC has the authority to require remedial actions to restore compliance to NAID AAA and/or PRISM Privacy+ Certification specifications. The primary purpose of the authority to require restored compliance with NAID AAA and/or PRISM Privacy+ Certification specifications is the protection of the clients and the reputation of the i-SIGMA Certification program. Therefore, the timeframe required by the MRC to make such adjustments is totally dependent upon the risk to the client and the reputation of the i-SIGMA Certification program as determined by the MRC. The MRC is also charged with establishing the precedents regarding when transgressions, or a pattern of transgressions, are referred to the Board of Directors for recommendation of any disciplinary action.

The MRC is ultimately responsible to see that due process is applied to all relevant situations, as well as establishing the precedents under which disciplinary action is warranted.