

CONTRACT #7
RFS # 347.13-12021
FA # 10-30694

Revenue

VENDOR:
Meyercord Revenue, Inc.



PHIL BREDESEN
Governor

STATE OF TENNESSEE
DEPARTMENT OF REVENUE
ANDREW JACKSON STATE OFFICE BUILDING
NASHVILLE, TENNESSEE 37242

REAGAN FARR
Commissioner

July 8, 2010

The Honorable Bill Ketron, State Senator
Chair, Joint Fiscal Review Contract Service Subcommittee
309 War Memorial Building
Nashville, Tennessee 37243-0213

Re: Proposed Contract Amendment
Meyercord Revenue, Inc

Dear Senator Ketron:

The subject proposed contract amendment between the Tennessee Department of Revenue and Meyercord Revenue Inc. is enclosed herewith for the review of your Subcommittee.

Cigarette fusion stamps are applied to tobacco products sold or otherwise distributed in our state, pursuant to Sections 67-4-1002 and 67-4-1006, Tennessee Code Annotated. They are permanently affixed to each tobacco product by wholesalers who then distribute the product through retailers for ultimate purchase by the consumer. These stamps are critical for our operation in the Tennessee Department of Revenue. Tobacco products may not be sold or distributed unless they have the proper tobacco stamp affixed. These stamps must always be available for purchase so that there is no disruption in our supply for the wholesalers and retailers.

Meyercord was the only respondent to RFP #34713-12019 and a contract allowing manufacture of 660,000,000 machine applied cigarette fusion stamps with a maximum liability of \$574,200 was signed and approved. However, the number of stamps manufactured and the maximum liability shown in the contract is only for one year. The amendment corrects the error by adjusting for a five year period through increasing machine applied cigarette fusion stamps from 660,000,000 to 3,300,000,000 and through increasing the maximum liability from \$574,200 to \$2,871,000. The amendment will not add services.

RECEIVED

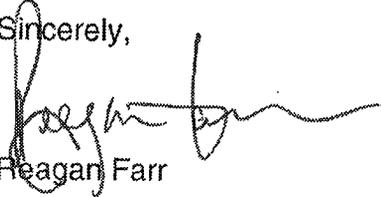
JUL 22 2010

FISCAL REVIEW

The Honorable Bill Ketron, State Senator
July 8, 2010
Page 2

If you or members of your staff have questions or comments about the subject contract at any time, please do not hesitate to contact me. You may reach me by telephone at (615) 741-2461 or by e-mail at Reagan.Farr@tn.gov.

Sincerely,



Reagan Farr

Supplemental Documentation Required for
Fiscal Review Committee

*Contact Name:	John Lamar	*Contact Phone:	615-532-8969		
*Original Contract Number:	See Edison Contract #	*Original RFS Number:	See Edison RFS #		
Edison Contract Number: (if applicable)	#18957	Edison RFS Number: (if applicable)	34713-12021		
*Original Contract Begin Date:	2/1/10	*Current End Date:	1/31/15		
Current Request Amendment Number: (if applicable)	One				
Proposed Amendment Effective Date: (if applicable)	10/1/10				
*Department Submitting:	Department of Revenue				
*Division:	Taxpayer and Vehicle Services (TPVS)				
*Date Submitted:	7/22/10				
*Submitted Within Sixty (60) days: If not, explain:	Yes				
*Contract Vendor Name:	Meyercord Revenue, Inc				
*Current Maximum Liability:	\$574,200				
*Current Contract Allocation by Fiscal Year: (as Shown on Most Current Fully Executed Contract Summary Sheet)					
FY:10	FY:11	FY:12	FY:13	FY14	FY 15
\$420,000	\$80,000	\$24,800	\$24,800	\$24,800	\$4,600
*Current Total Expenditures by Fiscal Year of Contract: (attach backup documentation from STARS or FDAS report)					
FY: 10	FY: N.A.	FY: N.A.	FY: N.A.	FY: N.A.	FY: N.A.
\$286,447.50	\$0	\$0	\$0	\$0	\$0
IF Contract Allocation has been greater than Contract Expenditures, please give the reasons and explain where surplus funds were spent:			The contract started 2/1/10 and the surplus was directed toward reversion to the general fund. There will be no surplus by the end of the contract. In fact, one reason for the amendment requested by DOR is to increase the maximum liability.		
IF surplus funds have been carried forward, please give the reasons and provide the authority for the carry forward provision:			Not Applicable		
IF Contract Expenditures exceeded Contract Allocation, please give the reasons and explain how funding was acquired to pay the overage:			Not Applicable		

Supplemental Documentation Required for
Fiscal Review Committee

*Contract Funding Source/Amount:	State:	\$574,200	Federal:	
Interdepartmental:			Other:	
If "other" please define:				
Dates of All Previous Amendments or Revisions: <i>(if applicable)</i>		Brief Description of Actions in Previous Amendments or Revisions: <i>(if applicable)</i>		
Method of Original Award: <i>(if applicable)</i>		RFP #34713-12019		
*What were the projected costs of the service for the entire term of the contract prior to contract award?		The contract has been awarded but estimated cost will be \$2,871,000. An amendment will be needed reflect the cost.		

**Supplemental Documentation Required for
Fiscal Review Committee**

For all new non-competitive contracts and any contract amendment that changes Sections A or C.3. of the original or previously amended contract document, provide estimates based on information provided the Department by the vendor for determination of contract maximum liability. Add rows as necessary to provide all information requested.

If it is determined that the question is not applicable to your contract document attach detailed explanation as to why that determination was made.

Planned expenditures by fiscal year by deliverable. Add rows as necessary to indicate all estimated contract expenditures.

Deliverable description:	FY:10	FY:11	FY:12	FY:13	FY:14
Cigarette Fusion Stamps	\$239,300	\$574,200	\$574,200	\$574,200	\$574,200
Deliverable description:	FY:15				
Cigarette Fusion Stamps	\$334,900				

Proposed savings to be realized per fiscal year by entering into this contract. If amendment to an existing contract, please indicate the proposed savings to be realized by the amendment. Add rows as necessary to define all potential savings per deliverable.

Deliverable description:	FY:10	FY:11	FY:12	FY:	FY:
N.A.					

Comparison of cost per fiscal year of obtaining this service through the proposed contract or amendment vs. other options. List other options available (including other vendors), cost of other options, and source of information for comparison of other options (e.g. catalog, Web site). Add rows as necessary to indicate price differentials between contract deliverables.

Proposed Vendor Cost: (name of vendor)	FY:10	FY:11	FY:12	FY:	FY:
N.A.					
Other Vendor Cost: (name of vendor)	FY:	FY:	FY:	FY:	FY:

Supplemental Documentation Required for
Fiscal Review Committee

Other Vendor Cost: (name of vendor)	FY:	FY:	FY:	FY:	FY:



My Links Select One:



Search

Home Sign out (closes window)

My Page HR T&L ELM Finance Procurement Logistics

Welcome, John Lamar

New Window Help Customize Page

Maintain Purchase Order

Purchase Order

Unit: 34701 PO Status: Dispatched X
 PO ID: 0000003639 Budget Status: Valid

Hold From Further Processing

Copy From: Header PO Date: 06/09/2010 Vendor Search Sub Contractor
 Vendor: ILLINDIS T-201 Vendor Details Insur/Bond/Cert Create BackOrder
 *Vendor ID: 0000027041 Meyercord Revenue Receipt Status: Received
 *Buyer: orlas0731031 Orlando S Jordan *Dispatch Method: Print Dispatch
 PO Reference: RFS#34713-12021 Amount Summary

Header Details PO Activities Add Ship To Comments Merchandise: 142897.50
 PO Defaults Document Status Freight/Tax/Misc.: 0.00
 Edit Comments Requisitions Total Amount: 142897.50 USD
 Add Items From

Select Lines To Display

Catalog Item Search Line: To: Retrieve

Line	Item	Description	PO Qty	*UOM	Category	Price	Amount	Status
1		Cigarette Fusion Stamps	1.0000	EA	255-20	142,897.50000	142,897.50	Active

View Printable Version

*Go to: ... More ...

Save Return to Search Previous in List Next in List Notify Refresh

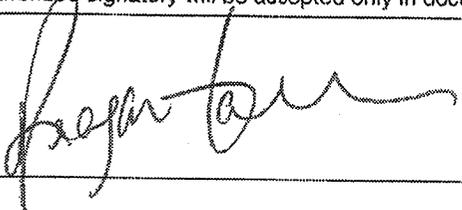
Add Update

NON-COMPETITIVE AMENDMENT REQUEST:

APPROVED

Commissioner of Finance & Administration

1) RFS #	34701-11015	
2) Procuring Agency :	Tennessee Department of Revenue	
EXISTING CONTRACT INFORMATON		
3) Service Caption :	Manufacture of cigarette fusion stamps	
4) Contractor :	Meyercord Revenue, Inc.	
5) Contract #	#18957	
6) Contract Start Date :	2/1/10	
7) CURRENT Contract End Date : (if ALL options to extend the contract are exercised)	1/31/15	
8) CURRENT Maximum Cost : (if ALL options to extend the contract are exercised)	\$ 574,200	
PROPOSED AMENDMENT INFORMATON		
9) Amendment #	One	
10) Amendment Effective Date : (attached explanation required if < 60 days after F&A receipt)	10/1/10	
11) PROPOSED Contract End Date : (if ALL options to extend the contract are exercised)	1/31/15	
12) PROPOSED Maximum Cost : (if ALL options to extend the contract are exercised)	\$ 2,871,000	
13) Approval Criteria : (select one)	<input checked="" type="checkbox"/> use of Non-Competitive Negotiation is in the best interest of the state	
	<input type="checkbox"/> only one uniquely qualified service provider able to provide the service	
14) Description of the Proposed Amendment Effects & Any Additional Service :		
The amendment will increase machine applied cigarette fusion stamps from 660,000,000 to 3,300,000,000 and will increase the maximum liability from \$574,200 to \$2,871,000. The amendment will not add services.		
15) Explanation of Need for the Proposed Amendment :		
The number of stamps manufactured and the maximum liability shown in the contract is only for one year. The amendment corrects the error by making the adjustment for a five year period.		
16) Name & Address of Contractor's Current Principal Owner(s) : (not required for a TN state education institution)		
Meyercord Revenue A Division of ITW 475 Village Drive Carol Stream, IL 60188		
17) Office for Information Resources Endorsement : (required for information technology service; n/a to THDA)		

Documentation is ... <input checked="" type="checkbox"/> Not Applicable to this Request <input type="checkbox"/> Attached to this Request
18) eHealth Initiative Endorsement : (required for health-related professional, pharmaceutical, laboratory, or imaging service)
Documentation is ... <input checked="" type="checkbox"/> Not Applicable to this Request <input type="checkbox"/> Attached to this Request
19) Department of Human Resources Endorsement : (required for state employees training service)
Documentation is ... <input checked="" type="checkbox"/> Not Applicable to this Request <input type="checkbox"/> Attached to this Request
20) Description of Procuring Agency Efforts to Identify Reasonable, Competitive, Procurement Alternatives :
RFP # 34713-12019 was awarded to Meyercord. Meyercord was the only respondent.
21) Justification for the Proposed Non-Competitive Amendment :
The amendment does not change the rate per unit. The number of units manufactured and the maximum liability increases from one year to the five year term stated in the contract. Without this amendment, at some point stamp inventory will be exhausted and stamps will not be affixed to tobacco products as required by TCA and significant revenue will be lost.
AGENCY HEAD SIGNATURE & DATE : (<u>must</u> be signed & dated by the <u>ACTUAL</u> procuring agency head as detailed on the Signature Certification on file with OCR— signature by an authorized signatory will be accepted only in documented exigent circumstances)
 7.21.10

DRAFT

AMENDK7-16-09



CONTRACT AMENDMENT

Agency Tracking # 34701-11015	Edison ID 18957	Contract # FA1030694	Amendment # One
----------------------------------	--------------------	-------------------------	--------------------

Contractor Meyercord Revenue, Inc.	Contractor Federal Employer Identification or Social Security # <input type="checkbox"/> C- or V- 36-1258310-05
---------------------------------------	--

Amendment Purpose/ Effects
 The amendment will increase machine applied cigarette fusion stamps from 660,000,000 to 3,300,000,000 and will increase the maximum liability from \$574,200 to \$2,871,000. The amendment will not add services. The number of stamps manufactured and the maximum liability shown in the contract is only for one year. The amendment corrects the error by making the adjustment for a five year period.

Contract Begin Date 02/01/10	Contract End Date 1/31/15	Subrecipient or Vendor <input type="checkbox"/> Subrecipient <input checked="" type="checkbox"/> Vendor	CFDA #(s)
---------------------------------	------------------------------	--	-----------

FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2010	\$239,300				\$239,300
2011	\$574,200				\$574,200
2012	\$574,200				\$574,200
2013	\$574,200				\$574,200
2014	\$574,200				\$574,200
2015	\$334,900				\$334,900
TOTAL:	\$2,871,000				\$2,871,000

American Recovery and Reinvestment Act (ARRA) Funding - YES NO

— COMPLETE FOR AMENDMENTS —			Agency Contact & Telephone # John Lamar (615) 532-8969	
END DATE AMENDED? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO			Agency Budget Officer Approval (there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred)	
FY	Base Contract & Prior Amendments	THIS Amendment ONLY	 Speed Code: RV00000254 Account Code: 70905000	
2010	\$420,000	(\$180,700)		
2011	\$80,000	\$494,200		
2012	\$24,800	\$549,400		
2013	\$24,800	\$549,400		
2014	\$20,000	\$554,200		
2015	\$4,600	330,300		
TOTAL:	\$574,200	\$2,296,800		

— OCR USE —

Procurement Process Summary (non-competitive, FA- or ED-type only)

Procured by RFP

DRAFT

**AMENDMENT ONE
TO FA1000694**

This Contract Amendment is made and entered by and between the State of Tennessee, Department of Revenue, hereinafter referred to as the "State" and Meyercord Revenue, Inc., hereinafter referred to as the "Contractor." It is mutually understood and agreed by and between said, undersigned contracting parties that the subject Contract is hereby amended as follows:

1. The text of Contract Section A.2 is deleted in its entirety and replaced with the following:

A. 2. Type and Application:

The State may purchase 3,300,000,000 machine applied cigarette fusion stamps which shall consist of five impressions or layers including safety tint lettering produced by the intaglio process and shall be suitable for high speed, positive application with heat to the receiving surface such as cellophane, paper, etc.

2. The text of Contract Section C.1. is deleted in its entirety and replaced with the following:

C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed Five hundred seventy-four thousand two hundred dollars (\$2,871,000). The payment rates in Section C.3 shall constitute the entire compensation due the Contractor for the Service and all of the Contractor's obligations hereunder regardless of the difficulty, materials or equipment required. The payment rates include, but are not limited to, all applicable taxes, fees, overheads, and all other direct and indirect costs incurred or to be incurred by the Contractor.

The Contractor is not entitled to be paid the maximum liability for any period under the Contract or any extensions of the Contract for work not requested by the State. The maximum liability represents available funds for payment to the Contractor and does not guarantee payment of any such funds to the Contractor under this Contract unless the State requests work and the Contractor performs said work. In which case, the Contractor shall be paid in accordance with the payment rates detailed in Section C.3. The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.

The revisions set forth herein shall be effective on the date of final approval by the appropriate State officials in accordance with applicable Tennessee State laws and regulations. All other terms and conditions not expressly amended herein shall remain in full force and effect.

IN WITNESS WHEREOF,

Meyercord Revenue, Inc. an ITW Company:

CONTRACTOR SIGNATURE

DATE

PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)

Department of Revenue:

Reagan Farr, Commissioner

DATE



CONTRACT

(FA-type fee-for-service contract with an individual, business, non-profit, or governmental entity of another state)

Agency Tracking # 34713-12021	Edison ID 0000000000000000000018957
----------------------------------	--

Contractor Meyercord Revenue, Inc.	Contractor Federal Employer Identification or Social Security # <input type="checkbox"/> C- or <input checked="" type="checkbox"/> V- 36-1258310-05
---------------------------------------	--

Service
Cigarette Fusion Stamps

Contract Begin Date 2/1/10	Contract End Date 1/31/15	Subrecipient or Vendor <input type="checkbox"/> Subrecipient <input checked="" type="checkbox"/> Vendor	CFDA #(s)
-------------------------------	------------------------------	--	-----------

FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2010	\$420,000				\$420,000
2011	\$80,000				\$80,000
2012	\$24,800				\$24,800
2013	\$24,800				\$24,800
2014	\$20,000				\$20,000
2015	\$4,600				\$4,600
TOTAL:	\$574,200				574,200

American Recovery and Reinvestment Act (ARRA) Funding – YES NO

OCR USE
FA

M. J. [Signature]

F&A Secured Document

FA1030694

Agency Contact & Telephone # John Lamar (615) 532-8969	
Agency Budget Officer Approval (there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred)	
Speed Code RV00000254	Account Code 70905000

Contractor Ownership/Control

African American Person w/ Disability Hispanic Small Business Government

Asian Female Native American NOT Minority/Disadvantaged Other

Contractor Selection Method

RFP Competitive Negotiation * Alternative Competitive Method *

Non-Competitive Negotiation * Other *

*Procurement Process Summary
Procured by RFP

**CONTRACT
BETWEEN THE STATE OF TENNESSEE,
DEPARTMENT OF REVENUE
AND
MEYERCORD REVENUE, INC.**

This Contract, by and between the State of Tennessee, Department of Revenue, hereinafter referred to as the "State" and Meyercord Revenue, Inc., hereinafter referred to as the "Contractor," is for the provision of manufacture of cigarette fusion stamps, as further defined in the "SCOPE OF SERVICES."

The Contractor is a for-profit corporation.

Contractor Federal Employer Identification or Social Security Number: V-36-1258310-05

Contractor Place of Incorporation or Organization: Illinois

A. SCOPE OF SERVICES:

A.1. The Contractor shall provide all service and deliverables as required, described, and detailed by this Scope of Services and shall meet all service and delivery timelines specified in the Scope of Services section or elsewhere in this Contract.

A.2. Type and Application:

The State may purchase 660,000,000 machine applied cigarette fusion stamps which shall consist of five impressions or layers including safety tint lettering produced by the intaglio process and shall be suitable for high speed, positive application with heat to the receiving surface such as cellophane, paper, etc.

A.3. Size, Design and Colors:

Each cigarette fusion stamp shall be of irregular shape and outline and shall contain a minimum of three different and visually distinctive colors. Hal-tones, ben-day effects, shades, tints, or tones of a color shall not be acceptable and shall not be considered as separate and distinctive colors. The safety tint lettering cannot be considered as one of the stamp colors.

Cigarette fusion stamps for machine application shall measure approximately 1/2" x 1/2" and shall be Black on Light Blue with TN as variable image.

Serial Numbering:

After primary printing, the cigarette fusion stamps shall be overprinted within each roll with legible code consisting of not less than five numeric characters clearly on the face of each stamp. The numbers on each roll of stamps shall be the same. The same numbers shall not appear on duplicate rolls within a twelve month period. Each roll of stamps shall be separately packaged and numbered, as outlined in A. 4.

A.3. Paper

Cigarette fusion stamps shall be on unique, safety tinted, mill controlled, colored paper furnished by the Contractor. The name of the manufacturer of the paper stock shall be furnished. The Contractor shall render an accurate accounting of all paper used in the production of these machines applied stamps, including spoilage, and shall verify such accounting record by affidavit to the State. The affidavit to the State from the Contractor shall be mailed after each purchase is shipped.

All paper shall be processed with a special safety tint reading and shall be arranged and printed so that it cannot be photographed on colored paper. The safety tint lettering for machine-applied stamps shall be so printed to appear on the face of the stamp and shall appear on the paper

between the stamps. The safety tint shall transfer with the machine-applied stamps and the lettering extending beyond the edges of the stamp shall also transfer with the stamp.

Fusion stamps shall be printed on paper processed by Meyercord with a special watermark lettering which will transfer with the stamp during application and become part of the stamp. When exposed to ultraviolet long wave light, the safety tint will fluoresce pink or gray. The fusion stamps shall contain sensitive materials that react to a chemical reagent. A drop of this reagent will cause the stamp to change to a predetermined color within seconds. The fusion stamps shall also contain Taggant, which will allow the stamps to be authenticated by pointing the Taggant Tester within ½ inch of the stamp. If the stamp is authentic, an audible beep as well as a green light will appear from the tester.

All spoiled paper and stamps shall be strictly accounted for and kept under lock and key until destroyed by the vendor. Destruction of said material shall be followed by an affidavit from the Contractor to the State confirming the type and quantities of materials destroyed. The Contractor shall send to the State the affidavit of all destruction after each purchase is shipped.

A. 4. Layout and Packing:

Heat Applied Serial Numbered "20" Cigarette Tax Stamps (15 per row) shall be furnished in rolls containing 30,000 stamps, or 7,200 stamps as may be specified by the State. Each roll shall bear ascending numbers at regularly specified intervals on one side and descending numbers at regularly specified intervals on the other side for accounting purposes. Spoiled rolls shall be identified as "not in circulation" and a certified listing of all rolls not in circulation shall be provided to the State. The certified listing shall be mailed to the State after each purchase. Each roll shall be placed in a serially numbered cardboard box securely sealed and labeled showing quantity, denomination, and roll number. The 30,000 stamp rolls shall be packed 25 to a box and the 7,200 stamp rolls shall be packed 49 to a box with each type in the same container. Each carton shall be securely sealed, with the end of the box labeled showing quantity, denomination, and serial numbers of rolls contained therein.

Heat Applied Serial Numbered "25" Cigarette Tax Stamps (10 per row) shall be furnished in rolls containing 7,200 stamps. Each roll shall bear ascending numbers at regularly specified intervals on one side and descending numbers at regularly specified intervals on the other side for accounting purposes. Spoiled rolls shall be identified as "not in circulation" and a certified listing of all rolls not in circulation shall be provided to the State. The certified listing shall be mailed to the State after each purchase. Each roll shall be placed in a serially numbered cardboard box securely sealed and labeled showing quantity, denomination, and roll number. The stamp rolls shall be packed 36 to a box with each type in the same container. Each carton shall be securely sealed, with the end of the box labeled showing quantity, denomination, and serial numbers of rolls contained therein.

A. 5. Stamp Applying Machines:

During the term of this contract, the Contractor shall supply to authorized distributors machines designed to apply Contractor's manufactured stamps. These machines shall be readily available for lease to distributors and shall include features of at least a high-speed automatic carton feed, repacking conveyors, carton openers, gluers and closers. Leased machines made available shall be able to affix stamps at the rate of at least 80 cartons per minute for 30 minutes.

Machines and related equipment shall meet the standards described above. The State reserves the right to require the Contractor to adjust the machine specifications outlined in this contract due to changes in state tax law or administrative procedures. The Department shall furnish the Contractor with advance notice in writing and shall give a minimum of thirty (30) days to comply with changes to these requirements.

The Contractor shall furnish stamp applying machines and related equipment within ninety (90) days of the effective date of this contract. The Contractor shall also guarantee a sufficient number

of machines to furnish to all wholesalers having the need to apply state fusion stamps. Contractor shall guarantee that the stamps for machine application will apply in a satisfactory manner and at the rate previously designed within the machines in use throughout the State. The Contractor shall notify the State on a quarterly basis in writing of all wholesalers who are leasing equipment and their leasing cost.

Contractor shall instruct tobacco distributor's employees in the proper operation of the stamp-applying machine for current application of stamps. Also, Contractor shall have service headquarters and sufficiently trained personnel to properly maintain, service and repair stamp-applying machines so that mechanical failure will not substantially disrupt stamping by tobacco wholesale dealers and jobbers and receipt of revenue by the State. In order to insure timely service and repair, Contractor shall submit a statement to the State confirming the ability to perform such functions Monday through Friday between the hours of 8:00 a.m. to 8:00 p.m. Such service contract shall include, at least the response time necessary to correct a mechanical problem. This statement shall be furnished to the State at the time the contract is signed by the Contractor.

Contractor shall guarantee that the tax stamps and the stamp applying machines, including related equipment, which Contractor proposes to furnish and their sale and use will not infringe any United States Patent. Contractor must guarantee to defend, protect, and hold harmless the State and all persons, firms, or concerns using or applying the tax stamps and using the State applying machines on its behalf, against all legal actions and from all damages, claims, demands, expenses and attorney's fees, for actual or alleged infringement of any United States Patent by reason of the purchase and use of the tax stamps and use of the stamp-applying machines.

A. 6. Protection:

All stamps and paper shall contain proven protective features to guarantee against illegal reproduction. Contractor shall submit a separate confidential detailed statement to the Commissioner of the Department of Revenue, explaining fully their system for the protection of the State against unlawful reproduction and their method by which such reproduction can be detected by inspectors of the State.

To quickly identify the authenticity of stamps by State personnel, all stamps shall be produced using a variable image feature. This feature shall include the state's initials (TN) and shall be produced in such a way as to change color and luster when viewed at different angles. When exposed to ultraviolet short-wave light, the variable image shall fluoresce green.

The stamps shall also contain Taggant, which will authenticate stamps by producing an audible beeping sound and a green light on a Taggant Tester when held within 1/2 inch of the stamp. This test shall be capable of performance instantaneously by State personnel under almost any light condition, when using the Taggant Tester.

Also, the Contractor shall provide a confidential statement containing a full explanation of the precaution that the manufacturer proposes to observe within the plant and organization to protect the State of Tennessee against unlawful production of the stamps (This explanation may be consolidated with the above confidential statement). Contractor shall designate the means by which it proposes to guard against the loss of stamps both during the process of manufacture as well as during the storage. A secure depository approved by the State of Tennessee shall be installed or designed by the manufacturer for the storage of photographs, films, stones, zincs, plates, drawings, stamps, etc. when not in use or in the case of stamps, while awaiting shipment.

A. 7. Accounting:

Full and accurate accounting shall be made to the State of Tennessee for all spoiled sheets, etc. Plates, designs, patterns, films, negatives, and the like shall be used solely for this order and subsequent orders, if any. Any such plates, designs, patterns, films, etc. when not in use by the manufacturer of these stamps, shall be locked in a safe or vault. At the completion of this order,

or at the termination of this contract, or any time, if the State so desires, all such plates, designs, negatives, films, etc. shall be destroyed and disposed of as directed by the State of Tennessee.

Complete and accurate accounting of every stamp and all sheets of special paper used for these stamps and any other material in their production shall be given to authorized representatives of the State of Tennessee. Inspection of the plant and all records and books of accounts shall be allowed by the Contractor at any time upon demand of authorized representatives of the State of Tennessee.

At all times, the Contractor shall supervise closely the production of these stamps, shall not permit employees or any others to enter or leave the building or that part of the building where stamps are being produced until first assured that all material used in stamp production is properly accounted for. Every precaution shall be taken to make certain that the stamps are not counterfeited or produced anywhere for any other purpose other than use of the State of Tennessee.

All plates, designs, negatives, films, etc. shall be made at the manufacturer's expense and shall become the sole property of the State of Tennessee.

A. 8. Delivery:

Delivery of stamps in such manufactured quantities as specified by the State on purchase orders shall be made within forty-five (45) days after date of receipt of a purchase order.

Boxes of stamps delivered to the Department of Revenue shall be placed on pallets in numeric sequence with the lowest number on the bottom layer and with the highest number box on top. Delivery service via common carrier shall use a straight truck not to exceed thirty (30) feet in length and twelve and one half (12 ½) feet in height to enter the dock area in the Andrew Jackson State Office Building. Delivery shall be during the State of Tennessee working hours of 8:00 a.m. CST thru 4:30 p.m. CST Monday through Friday, excluding State Holidays. The Andrew Jackson State Office Building freight elevator load limit is eight thousand (8,000) pounds. The door of the elevator is 46" x 84" and the inside is 9'6" high at the center. All stamp deliveries shall be capable of transport on the Andrew Jackson State Office Building freight system. All stamps shall be delivered to the following address:

Tennessee Department of Revenue
Taxpayer and Vehicle Services Division – Stamp Office
4th Floor – Andrew Jackson State Office Building
500 Deaderick Street
Nashville, Tennessee 37242-1099

DELIVERY CONTACTS: Kathy Smith – (615) 741-3530
Diann Schneider – (615) 253-0680

It shall be the responsibility of the Contractor to use a carrier that will deliver inside to the Department of Revenue's secure storage area without any assistance from state employees. The State does not have the personnel or the equipment to help with inside delivery. All shipments shall be with a bonded carrier, insured and prepaid and the Contractor shall be responsible for the safe and proper delivery.

A. 9. Unshipped Stamps:

Any unshipped stamps being held by the Contractor against the contract at the expiration date of the contract, as set forth in Section B.1., may be invoiced to the State and payment will be made according to customary State procedures as set forth in Section C.1. Disposition instructions for unused/unshipped stamps shall be issued by the State of Tennessee, Department of Revenue and confirmed by the Contractor in writing.

B. CONTRACT TERM:

This Contract shall be effective for the period commencing on 2/1/10 and ending on 1/31/15. The State shall have no obligation for services rendered by the Contractor which are not performed within the specified period.

C. PAYMENT TERMS AND CONDITIONS:

C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed Five hundred seventy-four thousand two hundred dollars (\$574,200). The payment rates in Section C.3 shall constitute the entire compensation due the Contractor for the Service and all of the Contractor's obligations hereunder regardless of the difficulty, materials or equipment required. The payment rates include, but are not limited to, all applicable taxes, fees, overheads, and all other direct and indirect costs incurred or to be incurred by the Contractor.

The Contractor is not entitled to be paid the maximum liability for any period under the Contract or any extensions of the Contract for work not requested by the State. The maximum liability represents available funds for payment to the Contractor and does not guarantee payment of any such funds to the Contractor under this Contract unless the State requests work and the Contractor performs said work. In which case, the Contractor shall be paid in accordance with the payment rates detailed in Section C.3. The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.

C.2. Compensation Firm. The payment rates and the maximum liability of the State under this Contract are firm for the duration of the Contract and are not subject to escalation for any reason unless amended.

C.3. Payment Methodology. The Contractor shall be compensated based on the payment rates herein for units of service authorized by the State in a total amount not to exceed the Contract Maximum Liability established in Section C.1.

- a. The Contractor's compensation shall be contingent upon the satisfactory completion of units, milestones, or increments of service defined in Section A.
- b. The Contractor shall be compensated for said units, milestones, or increments of service based upon the following payment rates:

Service Description	Amount (per compensable increment)
SERVICE UNIT – Per 1,000 manufactured stamps by request of purchase order	\$ 0.87 each

C.4. Travel Compensation. The Contractor shall not be compensated or reimbursed for travel, meals, or lodging.

C.5. Invoice Requirements. The Contractor shall invoice the State only for completed increments of service and for the amount stipulated in Section C.3, above, and as required below prior to any payment.

- a. The Contractor shall submit invoices no more often than monthly, with all necessary supporting documentation, to:

STATE AGENCY BILLING ADDRESS
Mr. John Duncan

Tennessee Department of Revenue
 Andrew Jackson State Office Building, 3rd Floor
 500 Deaderick Street
 Nashville, TN 37242

- b. The Contractor agrees that each invoice submitted shall clearly and accurately (all calculations must be extended and totaled correctly) detail the following required information.
- (1) Invoice/Reference Number (assigned by the Contractor);
 - (2) Invoice Date;
 - (3) Invoice Period (period to which all invoiced charges are applicable);
 - (4) Contract Number (assigned by the State to this Contract);
 - (5) Account Name: Department of Revenue, Taxpayer and Vehicle Services Division;
 - (6) Account/Customer Number (uniquely assigned by the Contractor to the above referenced Account Name);
 - (7) Contractor Name;
 - (8) Contractor Federal Employer Identification Number or Social Security Number (as referenced in this Contract);
 - (9) Contractor Contact (name, phone, and/or fax for the individual to contact with billing questions);
 - (10) Contractor Remittance Address;
 - (11) Complete Itemization of Charges, which shall detail the following:
 - i. Service or Milestone Description (including name /title as applicable) of each service invoiced;
 - ii. Number of Completed Units, Increments, Hours, or Days as applicable, of each service invoiced;
 - iii. Applicable Payment Rate (as stipulated in Section C.3.) of each service invoiced;
 - iv. Amount Due by Service; and
 - v. Total Amount Due for the invoice period.
- c. The Contractor understands and agrees that an invoice to the State under this Contract shall:
- (1) include only charges for service described in Contract Section A and in accordance with payment terms and conditions set forth in Contract Section C;
 - (2) not include any future work but will only be submitted for completed service; and
 - (3) not include sales tax or shipping charges.
- d. The Contractor agrees that timeframe for payment (and any discounts) begins when the State is in receipt of each invoice meeting the minimum requirements above.
- e. The Contractor shall complete and sign a "Substitute W-9 Form" provided to the Contractor by the State. The taxpayer identification number contained in the Substitute W-9 submitted to the State shall agree to the Federal Employer Identification Number or Social Security Number referenced in this Contract for the Contractor. The Contractor shall not invoice the State for services until the State has received this completed form.

- G.6. Payment of Invoice. The payment of the invoice by the State shall not prejudice the State's right to object to or question any invoice or matter in relation thereto. Such payment by the State shall neither be construed as acceptance of any part of the work or service provided nor as an approval of any of the amounts invoiced therein.

- C.7. Invoice Reductions. The Contractor's invoice shall be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by the State, on the basis of audits conducted in accordance with the terms of this Contract, not to constitute proper remuneration for compensable services.
- C.8. Deductions. The State reserves the right to deduct from amounts which are or shall become due and payable to the Contractor under this or any Contract between the Contractor and the State of Tennessee any amounts which are or shall become due and payable to the State of Tennessee by the Contractor.
- C.9. Automatic Deposits. The Contractor shall complete and sign an "Authorization Agreement for Automatic Deposit (ACH Credits) Form." This form shall be provided to the Contractor by the State. Once this form has been completed and submitted to the State by the Contractor all payments to the Contractor, under this or any other Contract the Contractor has with the State of Tennessee shall be made by Automated Clearing House (ACH). The Contractor shall not invoice the State for services until the Contractor has completed this form and submitted it to the State.
- D. **STANDARD TERMS AND CONDITIONS:**
- D.1. Required Approvals. The State is not bound by this Contract until it is approved by the appropriate State officials in accordance with applicable Tennessee State laws and regulations.
- D.2. Modification and Amendment. This Contract may be modified only by a written amendment executed by all parties hereto and approved by the appropriate Tennessee State officials in accordance with applicable Tennessee State laws and regulations.
- D.3. Termination for Convenience. The State may terminate this Contract without cause for any reason. Said termination shall not be deemed a Breach of Contract by the State. The State shall give the Contractor at least thirty (30) days written notice before the effective termination date. The Contractor shall be entitled to receive compensation for satisfactory, authorized service completed as of the termination date, but in no event shall the State be liable to the Contractor for compensation for any service which has not been rendered. Upon such termination, the Contractor shall have no right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- D.4. Termination for Cause. If the Contractor fails to properly perform its obligations under this Contract in a timely or proper manner, or if the Contractor violates any terms of this Contract, the State shall have the right to immediately terminate the Contract and withhold payments in excess of fair compensation for completed services. Notwithstanding the above, the Contractor shall not be relieved of liability to the State for damages sustained by virtue of any breach of this Contract by the Contractor.
- D.5. Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the services performed under this Contract without obtaining the prior written approval of the State. If such subcontracts are approved by the State, they shall contain, at a minimum, sections of this Contract below pertaining to "Conflicts of Interest," "Nondiscrimination," and "Records" (as identified by the section headings). Notwithstanding any use of approved subcontractors, the Contractor shall be the prime contractor and shall be responsible for all work performed.
- D.6. Conflicts of Interest. The Contractor warrants that no part of the total Contract Amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Contractor in connection with any work contemplated or performed relative to this Contract.
- D.7. Nondiscrimination. The Contractor hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Contractor on the grounds

of disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Contractor shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

- D.8. Prohibition of Illegal Immigrants. The requirements of Public Acts of 2006, Chapter Number 878, of the state of Tennessee, addressing the use of illegal immigrants in the performance of any Contract to supply goods or services to the state of Tennessee, shall be a material provision of this Contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this Contract.
- a. The Contractor hereby attests, certifies, warrants, and assures that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract. The Contractor shall reaffirm this attestation, in writing, by submitting to the State a completed and signed copy of the document at Attachment One hereto, semi-annually during the period of this Contract. Such attestations shall be maintained by the Contractor and made available to state officials upon request.
 - b. Prior to the use of any subcontractor in the performance of this Contract, and semi-annually thereafter, during the period of this Contract, the Contractor shall obtain and retain a current, written attestation that the subcontractor shall not knowingly utilize the services of an illegal immigrant to perform work relative to this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant to perform work relative to this Contract. Attestations obtained from such subcontractors shall be maintained by the Contractor and made available to state officials upon request.
 - c. The Contractor shall maintain records for all personnel used in the performance of this Contract. Said records shall be subject to review and random inspection at any reasonable time upon reasonable notice by the State.
 - d. The Contractor understands and agrees that failure to comply with this section will be subject to the sanctions of Public Chapter 878 of 2006 for acts or omissions occurring after its effective date. This law requires the Commissioner of Finance and Administration to prohibit a contractor from contracting with, or submitting an offer, proposal, or bid to contract with the State of Tennessee to supply goods or services for a period of one year after a contractor is discovered to have knowingly used the services of illegal immigrants during the performance of this Contract.
 - e. For purposes of this Contract, "illegal immigrant" shall be defined as any person who is not either a United States citizen, a Lawful Permanent Resident, or a person whose physical presence in the United States is authorized or allowed by the federal Department of Homeland Security and who, under federal immigration laws and/or regulations, is authorized to be employed in the U.S. or is otherwise authorized to provide services under the Contract.
- D.9. Records. The Contractor shall maintain documentation for all charges under this Contract. The books, records, and documents of the Contractor, insofar as they relate to work performed or money received under this Contract, shall be maintained for a period of three (3) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the State, the Comptroller of the Treasury, or their duly appointed representatives. The financial statements shall be prepared in accordance with generally accepted accounting principles.

- D.10. Prevailing Wage Rates. All contracts for construction, erection or demolition or to install goods or materials that involve the expenditure of any funds derived from the State require compliance with the prevailing wage laws as provided in *Tennessee Code Annotated*, Section 12-4-401 *et seq.*
- D.11. Monitoring. The Contractor's activities conducted and records maintained pursuant to this Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.
- D.12. Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.
- D.13. Strict Performance. Failure by any party to this Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this Contract shall not be construed as a waiver or relinquishment of any such term, covenant, condition, or provision. No term or condition of this Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties hereto.
- D.14. Independent Contractor. The parties hereto, in the performance of this Contract, shall not act as employees, partners, joint venturers, or associates of one another. It is expressly acknowledged by the parties hereto that such parties are independent contracting entities and that nothing in this Contract shall be construed to create an employer/employee relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.
- The Contractor, being an independent contractor and not an employee of the State, agrees to carry adequate public liability and other appropriate forms of insurance, including adequate public liability and other appropriate forms of insurance on the Contractor's employees, and to pay all applicable taxes incident to this Contract.
- D.15. State Liability. The State shall have no liability except as specifically provided in this Contract.
- D.16. Force Majeure. The obligations of the parties to this Contract are subject to prevention by causes beyond the parties' control that could not be avoided by the exercise of due care including, but not limited to, natural disasters, riots, wars, epidemics, or any other similar cause.
- D.17. State and Federal Compliance. The Contractor shall comply with all applicable State and Federal laws and regulations in the performance of this Contract.
- D.18. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Contractor agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Contract. The Contractor acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising there to, shall be subject to and limited to those rights and remedies, if any, available under *Tennessee Code Annotated*, Sections 9-8-101 through 9-8-407.
- D.19. Completeness. This Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions of the parties' agreement. This Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.
- D.20. Severability. If any terms and conditions of this Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions hereof shall not be affected thereby and shall

remain in full force and effect. To this end, the terms and conditions of this Contract are declared severable.

- D.21. Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.

E. **SPECIAL TERMS AND CONDITIONS:**

- E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Contract, these special terms and conditions shall control.
- E.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by EMAIL or facsimile transmission with recipient confirmation. Any such communications, regardless of method of transmission, shall be addressed to the respective party at the appropriate mailing address, facsimile number, or EMAIL address as set forth below or to that of such other party or address, as may be hereafter specified by written notice.

The State:
 John Duncan, TPVS Assistant Director
 Tennessee Department of Revenue
 Andrew Jackson State Office Building, 3rd Floor
 500 Deadrick Street
 Nashville, Tennessee 37242
 EMAIL: John.Duncan@state.tn.us
 Telephone 615-741-3580
 Facsimile 615-741-1731

The Contractor:
 John Sprawka, Business Unit Manager
 Meyercord Revenue, Inc.
 An ITW Company
 475 Village Drive
 Carol Stream, IL 60188
 EMAIL: jsprawka@meyercord.com
 Telephone 630-682-6269
 Facsimile 630-682-6269

All instructions, notices, consents, demands, or other communications shall be considered effectively given upon receipt or recipient confirmation as may be required.

- E.3. Subject to Funds Availability. The Contract is subject to the appropriation and availability of State and/or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate the Contract upon written notice to the Contractor. Said termination shall not be deemed a breach of Contract by the State. Upon receipt of the written notice, the Contractor shall cease all work associated with the Contract. Should such an event occur, the Contractor shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- E.4. Tennessee Consolidated Retirement System. The Contractor acknowledges and understands that, subject to statutory exceptions contained in *Tennessee Code Annotated*, Section 8-36-801, et. seq., the law governing the Tennessee Consolidated Retirement System (TCRS), provides that if a retired member of TCRS, or of any superseded system administered by TCRS, or of any local retirement fund established pursuant to *Tennessee Code Annotated*, Title 8, Chapter 35, Part 3

accepts state employment, the member's retirement allowance is suspended during the period of the employment. Accordingly and notwithstanding any provision of this Contract to the contrary, the Contractor agrees that if it is later determined that the true nature of the working relationship between the Contractor and the State under this Contract is that of "employee/employer" and not that of an independent contractor, the Contractor may be required to repay to TCRS the amount of retirement benefits the Contractor received from TCRS during the period of this Contract.

- E.5. Voluntary Buyout Program. The Contractor acknowledges and understands that, for a period of two years beginning August 16, 2008, restrictions are imposed on former state employees who received a State of Tennessee Voluntary Buyout Program (VBP) severance payment with regard to contracts with state agencies that participated in the VBP.
- a. The State will not contract with either a former state employee who received a VBP severance payment or an entity in which a former state employee who received a VBP severance payment or the spouse of such an individual holds a controlling financial interest.
 - b. The State may contract with an entity with which a former state employee who received a VBP severance payment is an employee or an independent contractor. Notwithstanding the foregoing, the Contractor understands and agrees that there may be unique business circumstances under which a return to work by a former state employee who received a VBP severance payment as an employee or an independent contractor of a State contractor would not be appropriate, and in such cases the State may refuse Contractor personnel. Inasmuch, it shall be the responsibility of the State to review Contractor personnel to identify any such issues.
 - c. With reference to either subsection a. or b. above, a contractor may submit a written request for a waiver of the VBP restrictions regarding a former state employee and a contract with a state agency that participated in the VBP. Any such request must be submitted to the State in the form of the *VBP Contracting Restriction Waiver Request* format available from the State and the Internet at: www.state.tn.us/finance/rds/ocr/waiver.html. The determination on such a request shall be at the sole discretion of the head of the state agency that is a Party to this Contract, the Commissioner of Finance and Administration, and the Commissioner of Human Resources.
- E.6. Hold Harmless. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of acts, omissions, or negligence on the part of the Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract. The Contractor further agrees it shall be liable for the reasonable cost of attorneys for the State in the event such service is necessitated to enforce the terms of this Contract or otherwise enforce the obligations of the Contractor to the State.

In the event of any such suit or claim, the Contractor shall give the State immediate notice thereof and shall provide all assistance required by the State in the State's defense. The State shall give the Contractor written notice of any such claim or suit, and the Contractor shall have full right and obligation to conduct the Contractor's own defense thereof. Nothing contained herein shall be deemed to accord to the Contractor, through its attorney(s), the right to represent the State of Tennessee in any legal matter, such rights being governed by *Tennessee Code Annotated*, Section 8-6-106.

- E.7. Copyrights and Patents. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims or suits which may be brought against the State for infringement of any laws regarding patents or copyrights which may arise from the Contractor's performance of this Contract. In any such

action brought against the State, the Contractor shall satisfy and indemnify the State for the amount of any final judgment for infringement. The Contractor further agrees it shall be liable for the reasonable fees of attorneys for the State in the event such service is necessitated to enforce the terms of this Contract or otherwise enforce the obligations of the Contractor to the State. The State shall give the Contractor written notice of any such claim or suit and full right and opportunity to conduct the Contractor's own defense thereof.

IN WITNESS WHEREOF,

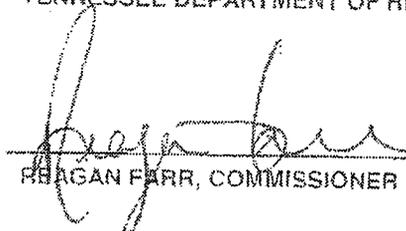
MEYERCORD REVENUE, INC, AN ITW COMPANY:

 1/25/10

 CONTRACTOR SIGNATURE DATE
 John Sprawka Business Unit Manager

 PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)

TENNESSEE DEPARTMENT OF REVENUE:

 1/27/2010

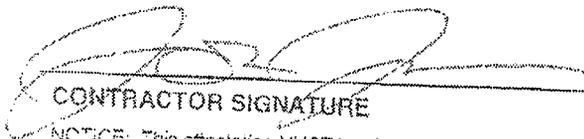
 REAGAN FARR, COMMISSIONER DATE

ATTACHMENT ONE

ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE

SUBJECT CONTRACT NUMBER:	34713-12021
CONTRACTOR LEGAL ENTITY NAME:	Meyercord Revenue Inc, an ITW Company
FEDERAL EMPLOYER IDENTIFICATION NUMBER: (or Social Security Number)	20-1697655

The Contractor, identified above, does hereby attest, certify, warrant, and assure that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract.



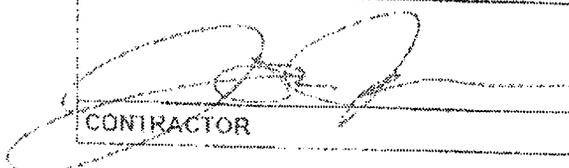
CONTRACTOR SIGNATURE

NOTICE: This attestation MUST be signed by an individual empowered to contractually bind the Contractor. If said individual is not the chief executive or president, this document shall attach evidence showing the individual's authority to contractually bind the Contractor.

John Spracka Business Unit Manager

PRINTED NAME AND TITLE OF SIGNATORY

DATE OF ATTESTATION

FA CONTRACT INFORMATION SUPPLEMENT	
FOR ALL FA-TYPE CONTRACTS — COMPLETE EITHER SECTION A OR SECTION B	
Contract RFS #	34713-12021
Contractor:	Meyercord Revenue, Inc. — an ITW Company
SECTION A— CONTRACTOR IS AN INDIVIDUAL	SECTION B— CONTRACTOR IS A COMPANY <i>(e.g., sole proprietorship, partnership, or corporation)</i>
Is or has the contractor been a state employee? <input type="checkbox"/> NO <i>(no additional information required)</i> <input type="checkbox"/> YES	Does an individual, who is or has been a state employee, own controlling interest in (or own) the contractor company? <input checked="" type="checkbox"/> NO <i>(no additional information required)</i> <input type="checkbox"/> YES
Was such employment within the past six months? <input type="checkbox"/> NO <input type="checkbox"/> YES <i>(an approved rule exception permitting a contract within six months of employment is also required)</i>	Was such employment within the past six months? <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES <i>(an approved rule exception permitting a contract within six months of employment is also required)</i>
Does the contractor receive Tennessee Consolidated Retirement System (TCRS) retirement benefits? <input type="checkbox"/> NO <input type="checkbox"/> YES <i>(the procuring agency general counsel MUST sign an analysis of this procurement using the TCRS analysis guidelines)</i>	Does the individual who owns controlling interest in the contractor company receive Tennessee Consolidated Retirement System (TCRS) retirement benefits? <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES <i>(the procuring agency general counsel MUST sign an analysis of this procurement using the TCRS analysis guidelines)</i>
CONTRACTOR SIGNATURE	
	1/25/10
CONTRACTOR	DATE