

**CONTRACT #6**  
**RFS # 326.01-90209**  
**FA # 09-27262**  
**Edison # 4343**

**Department of Tourist  
Development**

**VENDOR:**  
**Designsensory, Inc. (formerly**  
**New Century, Inc. d.b.a.**  
**Designsensory)**



**DEPARTMENT OF TOURIST DEVELOPMENT  
STATE OF TENNESSEE**

WILLIAM SNODGRASS/TENNESSEE TOWER BUILDING, 13<sup>th</sup> FLOOR  
312 ROSA L. PARKS AVENUE, NASHVILLE, TENNESSEE 37243-1102  
(615) 741-9065; [Nancy.Hargiss-Tatlock@tn.gov](mailto:Nancy.Hargiss-Tatlock@tn.gov)

Nancy Hargiss-Tatlock  
General Counsel

July 8, 2013

Leni S. Chick, Contract & Audit Coordinator  
Fiscal Review Committee  
8th Floor, Rachel Jackson Building  
320 Sixth Avenue, North  
Nashville, Tennessee 37243

RE: RFS # 32601-13003, Edison No. xxxx4343; Request for Special Non-Competitive  
Contract Amendment – Designsensory, Inc. -w- Department of Tourist Development

Dear Leni:

This is a request for a second Amendment to the Department of Tourist Development's contract with Designsensory, Inc. Designsensory, Inc. renders on-line advertising, production, media placement and website development services and we are requesting consideration of this Amendment for the following reasons:

- 1) Increased budget for marketing Tennessee tourism: The Department's budget increased in the amount of \$8.0 million dollars for this fiscal year to provide additional marketing services to promote Tennessee tourism. The budget increase was recommended by the Governor and approved by the Legislature and became effective July 1, 2013. The Department's marketing division has been researching and working on a strategic plan to determine how to best use the additional dollars to promote Tennessee tourism. In development of a marketing plan, the Department's marketing staff has met and discussed with Designsensory's personnel how to best utilize on-line advertising services.
- 2) Contract purpose and Amendment One: The Department's contract with Designsensory, Inc. was awarded as a result of an RFP for on-line advertising, web design for the [www.tnvacation.com](http://www.tnvacation.com) website and CRM development and maintenance services. Designsensory's name at the time of the RFP and contract award was New Century, Inc. dba Designsensory, however, in October 2009, New Century, Inc. dba Designsensory requested a name change set forth in Amendment One to the contract. Amendment One was approved and New Century, Inc. dba Designsensory simply became Designsensory, Inc.
- 3) Background and Increase of Maximum Liability Amount: On-line advertising, website development and CRM development and maintenance have become increasingly important tools in advertising and marketing campaigns. Accordingly, the Department would like to allocate a portion of the Department's increased budget for promotion

of tourism in Tennessee this fiscal year for additional on-line advertising, website and CRM development and maintenance services. The contract's maximum liability amount which is requested would increase in the amount of \$1,920,000 and consequently total \$9,420,000. The Designsensory, Inc. contract already has allocated \$480,000 for its services for this fiscal year so the Contract Summary Sheet for Amendment Two would (after approval of Amendment Two) be \$2,400,000 for this fiscal year (\$480,000 + \$1,920,000) with an increased contract maximum liability amount of \$7,500,000 [present maximum liability amount which includes \$480,000 already incorporated in that amount] + \$1,920,000 = \$9,420,000.

4) Purpose for Increase of Maximum Liability Amount: The increase to Designsensory Inc.'s maximum liability amount will provide for additional on-line advertising services which includes on-line media production and placement, website development for the 2013 summer and fall marketing campaigns and CRM maintenance.

5) Reason for Expedition of Approval for Amendment Two: The increase to the Department's budget has provided additional tourism marketing dollars effective July 1, 2013. The research to implement a marketing plan so as to best use the Department's on-line advertising and website development services began in the past several weeks and implementation and approval of an enhanced, on-line summer tourism promotion marketing campaign is needed as soon as possible.

Your attention to this matter is appreciated and if there are any questions with respect to Amendment Two of this contract, please feel free to contact my office.

Best regards,

  
NANCY HARGISS-TATLOCK

Supplemental Documentation Required for  
Fiscal Review Committee

*Contact Name:	Nancy Hargiss-Tatlock	*Contact Phone:	(615) 741-9065		
*Original Contract Number:	FA-0927262-00	*Original RFS Number:	32601-90209		
Edison Contract Number: <i>(if applicable)</i>	00000000000000000000 0004343	Edison RFS Number: <i>(if applicable)</i>			
*Original Contract Begin Date:	March 4, 2009	*Current End Date:	March 3, 2014		
Current Request Amendment Number: <i>(if applicable)</i>	Two				
Proposed Amendment Effective Date: <i>(if applicable)</i>	August 1, 2013				
*Department Submitting:	Department of Tourist Development				
*Division:	Marketing				
*Date Submitted:	July 8, 2013				
*Submitted Within Sixty (60) days:	No				
<i>If not, explain:</i>	An increase of \$8 million dollars to the Department's marketing budget was recommended by the Governor and approved by the Legislature and became effective July 1, 2013. A portion of the additional funds in the marketing budget is requested for this contract to increase the Department's on-line advertising campaign and website development and maintenance for the Summer and Fall.				
*Contract Vendor Name:	Designsensory, Inc.				
*Current Maximum Liability:	\$7,500,000.00				
<b>*Current Contract Allocation by Fiscal Year:</b> <b><i>(as Shown on Most Current Fully Executed Contract Summary Sheet)</i></b>					
FY: 09	FY: 10	FY: 11	FY: 12	FY: 13	FY: 14
\$1,020,000.00	\$1,500,000.00	\$1,500,000.00	\$1,500,000.00	\$1,500,000.00	\$480,000.00
<b>*Current Total Expenditures by Fiscal Year of Contract:</b> <b><i>(attach backup documentation from STARS or FDAS report)</i></b>					
FY: 09	FY: 10	FY: 11	FY: 12	FY: 13	FY: 14
\$1,020,000.00	\$1,350,000.00	\$1,350,000.00	\$1,261,944	\$1,400,000.00	
<b>IF Contract Allocation has been greater than Contract Expenditures, please give the reasons and explain where surplus funds were spent:</b>			Reversion requirement with surplus funds reverting to the General Fund		
<b>IF surplus funds have been carried</b>			No surplus funds have been carried		

Supplemental Documentation Required for  
Fiscal Review Committee

forward, please give the reasons and provide the authority for the carry forward provision:		forward	
IF Contract Expenditures exceeded Contract Allocation, please give the reasons and explain how funding was acquired to pay the overage:		N/A	
*Contract Funding Source/Amount:	State:	\$7,500,000	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>	
Amendment One - Oct. 29, 2009		Name change of contractor from New Century, Inc. dba Designsensory to Designsensory, Inc.	
Method of Original Award: <i>(if applicable)</i>		RFP	
*What were the projected costs of the service for the entire term of the contract prior to contract award?		\$7,500,000.00	

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: 14	FY:	FY:	FY:	FY:
	\$2,400,000.00				

**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: 14	FY:	FY:	FY:	FY:
	\$ 0.00				

**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: 14	FY:	FY:	FY:	FY:
N/A					
Other Vendor Cost: (name of vendor)	FY: 14	FY:	FY:	FY:	FY:
N/A					
Other Vendor Cost: (name of vendor)	FY: 14	FY:	FY:	FY:	FY:
N/A					

**DESIGNSENSORY, INC. Contract**  
**Edison P.O. Expenditures**  
**FY 09 - FY 13**

BU POs against a Contract

7091 Designsensory Inc	32601	50	5/13/2009	\$	1,020,000.00
4343 Designsensory Inc	32601	160	8/27/2009	\$	1,350,000.00
4343 Designsensory Inc	32601	426	7/8/2010	\$	1,350,000.00
4343 Designsensory Inc	32601	751	7/22/2011	\$	1,261,944.25
4343 Designsensory Inc	32601	1030	7/5/2012	\$	1,400,000.00
			TOTAL	\$	6,381,944.25

# Non-Competitive Amendment Request

NOT required for a contract with a federal, Tennessee, or Tennessee local government entity or a grant.

Route a completed request, as one file in PDF format, via e-mail attachment sent to: [Agsprs.Agsprs@state.tn.us](mailto:Agsprs.Agsprs@state.tn.us)

**APPROVED**

**COMMISSIONER OF FINANCE & ADMINISTRATION**

<b>Request Tracking #</b>	32601-13003	
<b>1. Procuring Agency</b>	Tourist Development	
<b>2. Contractor</b>	Designsensory, Inc.	
<b>3. Contract #</b>	FA-0927262	
<b>4. Proposed Amendment #</b>	Two	
<b>5. Edison ID #</b>	000000000000000000004343	
<b>6. Contract Begin Date</b>		March 4, 2009
<b>7. Current Contract End Date</b> – with ALL options to extend exercised		March 3, 2014
<b>8. Proposed Contract End Date</b> – with ALL options to extend exercised		March 3, 2014
<b>9. Current Maximum Contract Cost</b> – with ALL options to extend exercised		\$ 7,500,000.00
<b>10. Proposed Maximum Contract Cost</b> – with ALL options to extend exercised		\$ 9,420,000.00
<b>11. Office for Information Resources Endorsement</b> – information technology service (N/A to THDA)	<input type="checkbox"/> Not Applicable	<input checked="" type="checkbox"/> Attached
<b>12. eHealth Initiative Support</b> – health-related professional, pharmaceutical, laboratory, or imaging	<input checked="" type="checkbox"/> Not Applicable	<input type="checkbox"/> Attached
<b>13. Human Resources Support</b> – state employee training service	<input checked="" type="checkbox"/> Not Applicable	<input type="checkbox"/> Attached
<b>14. Explanation Need for the Proposed Amendment</b>		
This is an amendment to increase the maximum liability amount of the contract to provide for additional on-line media production and placement, website development and design, and CRM development and maintenance services due to an increase in the Department of Tourist Development's budget which was approved to promote tourism in fiscal year 2013-2014 effective July 1, 2013.		
<b>15. Name &amp; Address of the Contractor's Principal Owner(s)</b>		

<b>Request Tracking #</b>	32601-13003
<p align="center">– NOT required for a TN state education institution</p> <p align="center">Brandon Rochelle, 1740 Commons Pt. Drive, Suite 1, Knoxville, TN 37932; Joseph Nother, 2240 Sutherland Ave., Suite 102, Knoxville, TN 37919</p>	
<p><b>16. Evidence Contractor's Experience &amp; Length Of Experience Providing the Service</b></p> <p>Designsensory, Inc. was founded in 2001 by Brandon Rochelle and Joseph Nother and is an award-winning branding, design and interactive advertising agency. Designsensory, Inc. develops, supports and strengthens brands for its clients and creates for its customers and clients interactive productions utilizing strategic design, content and technology in both branded platforms and marketing campaigns. Designsensory's staff includes designers, strategists, filmmakers, writers and developers and as a result of an RFP was awarded a contract for on-line production, media placement, web design and development and CRM development and maintenance services for the Tennessee Department of Tourist Development in 2004. Designsensory, Inc.'s other clients include RadioSystems Corp (PetSafe), Varsity Brands, Lamar Advertising, Ryman Hospitality, Tennessee State Parks and the University of Tennessee. Designsensory, Inc. has been awarded multiple local, regional and national ADDY awards, Webby Honoree awards, Print and Communication Arts Showcase awards and AIGA Design awards.</p>	
<p><b>17. Efforts to Identify Reasonable, Competitive, Procurement Alternatives</b></p> <p>Designsensory, Inc. was awarded the contract as a result of an RFP and this is Amendment Two to an existing contract.</p>	
<p><b>18. Justification</b> – <i>specifically explain why non-competitive negotiation is in the best interest of the state</i></p> <p>This is an amendment to provide additional monies to an already existing Contract (awarded as a result of an RFP) and the Designsensory, Inc. provides on-line media production and placement, website development and design, and CRM development and maintenance services for the Department of Tourist Development and its tourism website, <a href="http://www.tnvacation.com">www.tnvacation.com</a>. The Governor recommended and the Legislature approved an increase in the Department's budget for tourism promotion. This amendment will allow the Department to use a portion of the additional monies for Summer and Fall 2013 advertising campaigns and will provide on-line media production and placement, website development and design, and CRM development and maintenance services for the balance of the term of the Contract.</p>	
<p><b>Agency Head Signature and Date</b> – <i>MUST be signed by the ACTUAL agency head as detailed on the current Signature Certification. Signature by an authorized signatory is acceptable only in documented exigent circumstances</i></p>	



## OIR Pre-Approval Endorsement Request E-Mail Transmittal

**TO :** Jane Chittenden, OIR Procurement & Contract Management Director  
Department of Finance & Administration  
E-mail : [Jane.Chittenden@tn.gov](mailto:Jane.Chittenden@tn.gov)

**FROM :** Nancy Hargiss-Tatlock  
E-mail : [Nancy.Hargiss-Tatlock@tn.gov](mailto:Nancy.Hargiss-Tatlock@tn.gov)

**DATE :** July 8, 2013

**RE :** Request for OIR Pre-Approval Endorsement

**Applicable RFS #** 32601-13003; FA-0927262-02; Edison # ending 4343

**OIR Endorsement Signature & Date:**

*Mark Bengel (g)*  
Chief Information Officer

7/8/13

*NOTE: Proposed contract/grant support is applicable to the subject IT service technical merit.*

Office for Information Resources (OIR) pre-approval endorsement appears to be required pursuant to professional service contracting regulations pertaining to procurements with information technology as a component of the scope of service. This request seeks to ensure that OIR is aware of and has an opportunity to review the procurement detailed below and in the attached documents.

Please document OIR endorsement of the described procurement (with the appropriate signature above), and return this document via e-mail at your earliest convenience.

<b>Contracting Agency</b>	Tourist Development
<b>Agency Contact</b> (name, phone, e-mail)	Nancy Hargiss-Tatlock, 741-9065, <a href="mailto:Nancy.Hargiss-Tatlock@tn.gov">Nancy.Hargiss-Tatlock@tn.gov</a>
<b>Subject Procurement Document</b> (mark one)	
<input type="checkbox"/> RFP	<input type="checkbox"/> Contract
<input type="checkbox"/> Competitive Negotiation Request	<input type="checkbox"/> Contract Amendment
<input type="checkbox"/> Alternative Procurement Method Request	<input type="checkbox"/> Grant
<input type="checkbox"/> Non-Competitive Contract Request	<input type="checkbox"/> Grant Amendment
<input checked="" type="checkbox"/> Non-Competitive Amendment Request	
<b>Information Systems Plan (ISP) Project Applicability</b>	
<input checked="" type="checkbox"/> Not Applicable to this Request	
<b>Response Confirmed by IT Director/Staff</b> (name): Patrick Casey	
<b>Required Attachments</b> (as applicable – copies without signatures acceptable)	

**Applicable RFS #** 32601-13003; FA-0927262-02; Edison # ending 4343

- RFP, Competitive Negotiation Request, Alternative Procurement Method Request, Non-Competitive Contract Request, Non-Competitive Amendment Request
- Original Contract/Grant or Amendment
- Proposed Contract/Grant or Amendment

**Subject Information Technology Service Description**

(Brief summary of information technology services involved. Clearly identify included technologies such as system development/maintenance, security, networking, etc. As applicable, identify the contract & solicitation sections related to the IT services.)

This is an amendment to increase the maximum liability of an existing contract for on-line advertising, media production and placement, website development and design and CRM system development and maintenance on the Department of Tourist Development's tourism website, [www.tnvacation.com](http://www.tnvacation.com). It does not involve any other State website nor does it receive or require any OIR services. The services set forth in the underlying contract were reviewed and approved by OIR on December 8, 2008, prior to issuance of RFP 326.01-902 for the same services set forth in the attached contract.



## CONTRACT AMENDMENT

Agency Tracking # 32601-13003	Edison ID 00000000000000000000 004343	Contract # FA-09-27262	Amendment # 2		
Contractor Legal Entity Name Designsensory, Inc.			Edison Vendor ID 0000005167		
Amendment Purpose & Effect(s) Increase of Contract Maximum Liability					
Amendment Changes Contract End Date: <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		End Date: March 3, 2014			
TOTAL Contract Amount INCREASE or DECREASE per this Amendment (zero if N/A):			\$ 1,920,000.00		
Funding —					
FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
09	\$1,020,000.00				\$1,020,000.00
10	1,500,000.00				1,500,000.00
11	1,500,000.00				1,500,000.00
12	1,500,000.00				1,500,000.00
13	1,500,000.00				1,500,000.00
14	2,400,000.00				2,400,000.00
TOTAL:	\$9,420,000.00				\$9,420,000.00
American Recovery and Reinvestment Act (ARRA) Funding: <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO					
Budget Officer Confirmation: There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.  <i>Tom Lightrey</i>			OCR USE		
Speed Chart (optional) TD00000088		Account Code (optional) 70806000			

**AMENDMENT TWO  
OF CONTRACT FA-09-27262**

This Amendment is made and entered by and between the State of Tennessee, Department of Tourist Development, hereinafter referred to as the "State" and Designsensory, 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. 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 Nine Million Four Hundred Twenty Thousand Dollars (\$9,420,000.00). The payment rates in section C.3 shall constitute the entire compensation due the Contractor for all service and Contractor 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.

2. Required Approvals. The State is not bound by this Amendment until it is signed by the contract parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this contract, said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).
3. Amendment Effective Date. The revisions set forth herein shall be effective August 1, 2013. All other terms and conditions of this Contract not expressly amended herein shall remain in full force and effect.

**IN WITNESS WHEREOF,**

**DESIGNSENSORY, INC.:**



7/3/2013

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**SIGNATURE**

**DATE**

Joseph Nother, Principal & Vice President

---

**PRINTED NAME AND TITLE OF SIGNATORY (above)**

**DEPARTMENT OF TOURIST DEVELOPMENT:**

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**SUSAN H. WHITAKER, COMMISSIONER**

**DATE**



# C O N T R A C T   A M E N D M E N T

<b>Agency Tracking #</b> 3 2 6 0 1 - 9 0 2 0 9	<b>Edison ID</b> 000000000000000000004343	<b>Contract #</b> FA-09-27262-00	<b>Amendment #</b> 1
<b>Contractor</b> Designsensory, Inc., as amended		<b>Contractor Federal Employer Identification or Social Security #</b> <input type="checkbox"/> C- or <input checked="" type="checkbox"/> V- 04-3766688	

**Amendment Purpose/ Effects**  
Contractor Name Change

<b>Contract Begin Date</b> March 4, 2009	<b>Contract End Date</b> March 3, 2014	<b>Subrecipient or Vendor</b> <input type="checkbox"/> Subrecipient <input checked="" type="checkbox"/> Vendor	<b>CFDA #(s)</b> N/A
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FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
09	\$1,020,000.00				\$1,020,000.00
10	1,500,000.00				1,500,000.00
11	1,500,000.00				1,500,000.00
12	1,500,000.00				1,500,000.00
13	1,500,000.00				1,500,000.00
14	480,000.00				480,000.00
<b>TOTAL:</b>	<b>\$7,500,000.00</b>				<b>\$7,500,000.00</b>

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

<b>— COMPLETE FOR AMENDMENTS —</b>			<b>Agency Contact &amp; Telephone #</b> Nancy Hargiss-Tatlock (615) 741-9065	
<b>END DATE AMENDED?</b> <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO			<b>Agency Budget Officer Approval</b> (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)  	
<b>FY</b>	<b>Base Contract &amp; Prior Amendments</b>	<b>THIS Amendment ONLY</b>		
09	\$1,020,000.00			
10	1,500,000.00			
11	1,500,000.00			
12	1,500,000.00			
13	1,500,000.00			
14	480,000.00			
<b>TOTAL:</b>	<b>\$7,500,000.00</b>		<b>Speed Code</b> TD00000088	<b>Account Code</b> 70899000

— OCR USE —

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

RFP for contracted services



F&A Secured Document

# FA0927262-01

**AMENDMENT ONE  
TO FA-09-27262-00**

This Contract Amendment is made and entered by and between the State of Tennessee, Department of Tourist Development, hereinafter referred to as the "State" and New Century Group, Inc. dba Designsensory, 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:

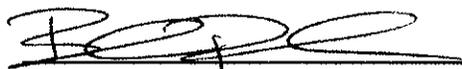
1. The following is added as Contract Section E.15:

E.15. Contractor Name. All references to New Century Group, Inc. dba Designsensory shall be deleted and replaced with Designsensory, Inc.

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,

NEW CENTURY GROUP, INC. dba DESIGSENSORY:



CONTRACTOR SIGNATURE

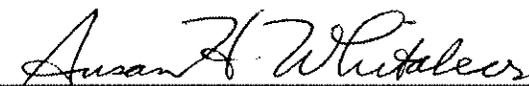
10/27/09

DATE

Brandon Rochelle, President

PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)

DEPARTMENT OF TOURIST DEVELOPMENT:



SUSAN H. WHITAKER, COMMISSIONER

10/29/09

DATE

# CONTRACT SUMMARY SHEET

021908

**326.01—902—09**

Contract #

FA-09-27262-00

State Agency

Tourist Development

State Agency Division

Marketing

Contractor Name

New Century Group, Inc. dba Designsensory

Contractor ID # (FEIN or SSN)

C- or  V- 04-3766688

Service Description

Website, CRM Development and Maintenance & On-line Advertising Services

Contract Begin Date

March 4, 2009

Contract End Date

March 3, 2014

SUBRECIPIENT or VENDOR?

Vendor

CFDA #

Mark Each TRUE Statement

Contractor is on STARS

Contractor's Form W-9 is on file in Accounts

Allotment Code

326.01

Cost Center

400

Object Code

089

Fund

11

Funding Grant Code

Funding Subgrant Code

FY	State		Federal		Interdepartmental	Other	TOTAL Contract Amount
09	\$1,020,000.00						\$1,020,000.00
10	1,500,000.00						1,500,000.00
11	1,500,000.00						1,500,000.00
12	1,500,000.00						1,500,000.00
13	1,500,000.00						1,500,000.00
14	480,000.00						480,000.00
<b>TOTAL:</b>	<b>\$7,500,000.00</b>						<b>\$7,500,000.00</b>

OCR RELEASED  
MAR 12 2009  
TO ACCOUNTS

— COMPLETE FOR AMENDMENTS ONLY —

State Agency Fiscal Contact & Telephone #

Tom Lightsey (615) 741-9023

State Agency Budget Officer Approval

Tom Lightsey

**Funding Certification** (certification, required by T.C.A., § 9-4-5113, that there is a balance in the appropriation from which the obligated expenditure is required to be paid that is not otherwise encumbered to pay obligations previously incurred)

FY	Base Contract & Prior Amendments	THIS Amendment ONLY
09	\$1,020,000.00	
10	1,500,000.00	
11	1,500,000.00	
12	1,500,000.00	
13	1,500,000.00	
14	480,000.00	
<b>TOTAL:</b>	<b>\$7,500,000.00</b>	
<b>End Date:</b>	<b>March 3, 2014</b>	

PROCESSED  
MAR 12 2009

FEB 25 2009

**Contractor Ownership** (complete for ALL base contracts— N/A to amendments or delegated authorities)

- African American   
  Person w/ Disability   
  Hispanic   
  Small Business   
  Government  
 Asian   
  Female   
  Native American   
  NOT Minority/Disadvantaged   
  Other

**Contractor Selection Method** (complete for ALL base contracts— N/A to amendments or delegated authorities)

- RFP   
  Competitive Negotiation \*   
  Alternative Competitive Method \*  
 Non-Competitive Negotiation \*   
  Negotiation w/ Government (ID, GG, GU)   
  Other \*

\* Procurement Process Summary (complete for selection by Non-Competitive Negotiation, Competitive Negotiation, OR Alternative Method)

OCR  
FEB 24 2009  
RECEIVED

# CONTRACT SUMMARY SHEET

021908

<b>RFS #</b>  <b>326.01—902—09</b>	<b>Contract #</b>
<b>State Agency</b> Tourist Development	<b>State Agency Division</b> Marketing
<b>Contractor Name</b> New Century Group, Inc. dba Designsensory	<b>Contractor ID # (FEIN or SSN)</b> <input type="checkbox"/> C- or <input checked="" type="checkbox"/> V- 04-3766688

**Service Description**  
Website, CRM Development and Maintenance & On-line Advertising Services

<b>Contract Begin Date</b> March 4, 2009	<b>Contract End Date</b> March 3, 2014	<b>SUBRECIPIENT or VENDOR?</b> Vendor	<b>CFDA #</b>
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**Mark Each TRUE Statement**

Contractor is on STARS       Contractor's Form W-9 is on file in Accounts

Allotment Code	Cost Center	Object Code	Fund	Funding Grant Code	Funding Subgrant Code
326.01	400	089	11		
FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
09	\$1,020,000.00				\$1,020,000.00
10	1,500,000.00				1,500,000.00
11	1,500,000.00				1,500,000.00
12	1,500,000.00				1,500,000.00
13	1,500,000.00				1,500,000.00
14	480,000.00				480,000.00
<b>TOTAL:</b>	<b>\$7,500,000.00</b>				<b>\$7,500,000.00</b>

**— COMPLETE FOR AMENDMENTS ONLY —**

FY	Base Contract & Prior Amendments	THIS Amendment ONLY
09	\$1,020,000.00	
10	1,500,000.00	
11	1,500,000.00	
12	1,500,000.00	
13	1,500,000.00	
14	480,000.00	
<b>TOTAL:</b>	<b>\$7,500,000.00</b>	
<b>End Date:</b>	<b>March 3, 2014</b>	

**State Agency Fiscal Contact & Telephone #**  
Tom Lightsey (615) 741-9023

**State Agency Budget Officer Approval**  


**Funding Certification** (certification, required by T.C.A., § 9-4-5113, that there is a balance in the appropriation from which the obligated expenditure is required to be paid that is not otherwise encumbered to pay obligations previously incurred)

**Contractor Ownership** (complete for ALL base contracts— N/A to amendments or delegated authorities)

<input type="checkbox"/> African American	<input type="checkbox"/> Person w/ Disability	<input type="checkbox"/> Hispanic	<input checked="" type="checkbox"/> Small Business	<input type="checkbox"/> Government
<input type="checkbox"/> Asian	<input type="checkbox"/> Female	<input type="checkbox"/> Native American	<input type="checkbox"/> NOT Minority/Disadvantaged	<input type="checkbox"/> Other

**Contractor Selection Method** (complete for ALL base contracts— N/A to amendments or delegated authorities)

<input checked="" type="checkbox"/> RFP	<input type="checkbox"/> Competitive Negotiation *	<input type="checkbox"/> Alternative Competitive Method *
<input type="checkbox"/> Non-Competitive Negotiation *	<input type="checkbox"/> Negotiation w/ Government (ID, GG, GU)	<input type="checkbox"/> Other *

**\* Procurement Process Summary** (complete for selection by Non-Competitive Negotiation, Competitive Negotiation, OR Alternative Method)

**CONTRACT  
BETWEEN THE STATE OF TENNESSEE,  
DEPARTMENT OF TOURIST DEVELOPMENT  
AND  
NEW CENTURY GROUP, INC. dba DESIGNSENSORY**

This Contract, by and between the State of Tennessee, Department of Tourist Development, hereinafter referred to as the "State" and New Century Group, Inc. dba Designsensory, hereinafter referred to as the "Contractor," is for on-line marketing and advertising design and production services, on-line media placement services, website development and maintenance, consumer relationship management (CRM) system development and maintenance, lead generation services, and related services as specified in the scope of services.

The Contractor is a For-Profit Corporation.

Contractor Federal Employer Identification or Social Security Number: 04-3766688

The Contractor's place of incorporation or organization is: Tennessee

A. SCOPE OF SERVICES:

A.1. The Contractor shall provide all services 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 or elsewhere in this Contract.

A.2. On-line Advertising Services.

A.2.1. Contractor shall be responsible for understanding the overall objectives of the State's on-line tourism advertising and marketing programs to effectively create and produce on-line advertising that generates visitation to the State's Website, TNvacation.com.

A.2.2. Contractor shall develop a strategic plan for an on-line creative campaign subject to the State's prior approval. The plan should be updated annually and include:

- a. On-line advertising concept development, art direction, layout and design, image collection, graphic design, and other production services as needed to support, develop, and maintain an on-line marketing and advertising campaign;
- b. Make adjustments or changes to the campaign as required to benefit the State's marketing objectives;
- c. Shall incorporate social networking and user-generated initiatives in the plan and have support staff available to develop and maintain such user-generated initiatives throughout the Term of the Contract;
- d. Research necessary to support the Contractor's creative plan recommendations;
- e. Senior level supervision of the plan, documentation, and communication with the State in connection with the status and timeline of each such on-line advertising and marketing campaign.

A.2.3. Contractor shall render complete marketing analysis as to the effectiveness of the State's on-line advertising campaigns implemented during each year of the Contract.

A.2.4. Contractor shall work closely with the State's off-line advertising and media placement agency, the State's contractor responsible for selling advertising on the Website and in the State Vacation Guide, and the State's call center and fulfillment contractor.

A.2.5. Contractor shall not commence any work on a marketing and/or advertising project in connection with the duties described in this Section A.2, et al. of the Contract, without submitting an estimate of the costs and timeline for project that is recommended for approval by the State. In the event the State requires revision and/or change to a particular on-line campaign or initiative, Contractor will submit a revised cost and time estimate for approval as each and every change must be approved by the State prior to the commencement of any designated services thereon by Contractor.

A.2.6. Contractor shall be prepared and available to participate and make oral and/or written presentations regarding the State's on-line advertising campaign(s) at marketing meetings, conferences and/or other events reasonably requested by the State at no cost to the State.

A.3. Media Placement Services.

A.3.1. Contractor shall be responsible for understanding the overall objectives of the State's on-line tourism advertising and marketing programs to effectively recommend and place on-line media that generates visitation to the State's Website, TNvacation.com.

A.3.2. Contractor shall develop a strategic plan for an on-line media placement subject to the State's prior approval. The plan should:

- a. Provide professional advice and make recommendations for development of programs that will benefit the State's media placement program;
- b. Purchase media in a timely and professional manner to take optimum advantage of discounts, media position, special promotions, co-op opportunities, added value offers, and other opportunities that will benefit the State;
- c. Ensure that appropriate production materials are provided to satisfy media placement requirements and deliver the same in a timely fashion to media vendor(s);
- d. Provide the State with appropriate reports to determine if the media was placed as requested, provide post-buy analysis and media audits, and change tactics as necessary for a given media placement campaign with approval from the State. Coordinate with the State's telemarketing and fulfillment center to advise them of media schedules and to develop media tracking information.
- e. Provide on-going, senior-level account supervision and communication, outline and document for the State the timing and cost status of all media placement projects, provide necessary reports, estimates, accounting documentation, and other financial information necessary to comply with Contract's payment terms and conditions.
- f. Conduct and provide research, surveys, and studies as requested by the State or needed to support on-line advertising and media placement recommendations and decisions.
- g. Provide oversight or support of co-op on-line media placement opportunities with tourism organizations, attractions, etc. as needed.

A.3.3. Contractor shall render complete marketing analysis as to the effectiveness of the State's on-line media purchases implemented during each year of the Contract. Such analyses shall include, but not be limited to, tracking of all marketing/media placement efforts and the reporting of all such results.

- A.3.4. Contractor shall work closely with the State's off-line advertising and media placement agency, the State's contractor responsible for selling advertising on the Website and in the State Vacation Guide, and the State's call center and fulfillment contractor.
- A.3.5. Contractor shall not commence any work on a marketing and/or advertising project in connection with the duties described in this Section A.3, et al. of the Contract, without submitting an estimate of the costs and timeline for project that is recommended for approval by the State. In the event the State requires revision and/or change to a particular media placement campaign, Contractor will submit a revised cost and time estimate for approval as each and every change must be approved by the State prior to the commencement of any designated services thereon by Contractor.
- A.3.6. Contractor shall be prepared and available to participate and make oral and/or written presentations regarding the State's on-line media placement campaign(s) at marketing meetings, conferences and/or other events reasonably requested by the State at no cost to the State.

A.4. Development and Maintenance of Website.

- A.4.1. The Contractor is responsible for the ongoing development and maintenance of an integrated website and customer relationship system that provides all hardware, software, and telecommunications required for the development, deployment, hosting, operation and administration of the system. All programming, source code, data and related deliverables resulting from the execution of the contract will be developed and provided by the Contractor in such a manner that the State retains all rights to and ownership of said services, products, and deliverables.
- A.4.2. Contractor's understanding of the overall objectives of the State's tourism marketing program should be utilized to effectively develop and implement the following elements for the Website:
  - a. Content, features and functionality (but not necessarily the theme, style or navigation) of the existing Website and any additional requirements resulting from Contractor's strategic plan for the State's on-line advertising and marketing campaign(s) as set forth in Section A.2 hereof;
  - b. A travel and tourism educational section;
  - c. e-Guides;
  - d. Micro-sites based on particular areas of interest designed to drive users to the Website home page;
  - e. An enhanced video initiative;
  - f. Viral components and user-generated content opportunities for the Website;
  - g. Continued development and use of Press Room and Group Sales features; and,
  - h. Advertising space on the Website that is used by the State to generate sales revenue. The space provided should be developed using an understanding of on-line marketing and positioning for potential clients.
- A.4.3. Contractor will refresh the database with the listings (i.e. attractions, accommodations, parks, historic sites) from data collected annually for the Tennessee Vacation Guide and as added/ modified/ deleted during the year by way of the administrative user interface

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system. In addition to the basic database listings, the Website shall include, but not be limited to, the following tourism/travel areas:

- a. Niche audiences (i.e., music, outdoors, fishing, culinary interests, historic sites ...), current trends and effective use of prior State, marketing reports to be provided Contractor by the State;
  - b. Four (4) seasonal, mini-sites;
  - c. Specific tourism consumer targets on a local, regional, national and/or international basis;
  - d. Sustainable tourism initiatives;
  - e. Group tour information;
  - f. Educational opportunities in travel and tourism; and,
  - g. Any other travel/tourism mini-site which the State may determine from time to time to be included on the Website.
- A.4.4. Contractor shall be responsible for notifying the State or the State's contracted vendor selling advertising on the Website of the space allotted on the Website for such advertising sales along with the overall design and nature of the Website throughout the term of the Contract.
- A.4.5. Contractor shall perform an initial assessment and evaluation of the current Website and provide a plan to the State detailing a recommended development strategy to facilitate the State's on-line initiatives including, any unfinished development of the WEB 2.0 redesign.
- A.4.6. Contractor shall provide a secure graphical user interface on the Website which will give the State access to the Website and allow the State to:
- a. Manage Website content;
  - b. Oversee and administer on-line marketing and advertising efforts;
  - c. Manage on-line event posting;
  - d. Allow information to be furnished by organizations/participants/partners in the tourism industry by way of a user name/password database so as to change, update and/or refresh their respective listing(s), provided, any such change must also give the State the ability to pre-approve any such change prior to its posting on the Website;
  - e. Manage the image library;
  - f. Access comprehensible Website statistical analysis programs capable of reporting site traffic (sessions, page views, hits, bytes transferred ...) and information relating to pages, files, navigation, referrals, domains, browsers and other data as may be required by the State; and,
  - g. Check HTML page content.

- A.4.7. Contractor shall be responsible for maintaining uninterrupted availability of the Website and will submit a disaster recovery plan to the State for written approval within ninety (90) days of Contractor's commencement of services pursuant to this Contract.
- A.4.8. Contractor shall maintain proficiency in and employ on-line, industry standard tools, languages, applications, database management and operating systems in the development and support of the Website.
- A.4.9. The State shall purchase key words in order to maximize key word search optimization on the Website with the planning and coordination of such key word search capabilities to be Contractor's responsibility.
- A.4.10. Contractor will evaluate and implement when appropriate, emerging technologies and provide current, technical expertise as needed to maintain state of the art, on-line marketing and advertising on the Website.
- A.4.11. Contractor shall be responsible for providing the State website statistical reporting and site traffic reporting on the first business day of each month that includes the following:
- a. Total number of unique visits;
  - b. Percentage change over the same month in the prior year;
  - c. Percentage change over the previous month in the same year;
  - d. Total number of visits over thirty (30) seconds in length;
  - e. Web site inquiries;
  - f. Page views;
  - g. Average page views per visit;
  - h. E-Guide inquiries;
  - i. Print guide inquiries;
  - j. Average time on the site;
  - k. Spring site – total visits, percentage change over the same month in the prior year, percentage change over the previous month in the same year;
  - l. Summer site- total visits, percentage change over the same month in the prior year, percentage change over the previous month in the same year;
  - m. Fall site - total visits, percentage change over the same month in the prior year, percentage change over the previous month in the same year;
  - n. Winter site - total visits, percentage change over the same month in the prior year, percentage change over the previous month in the same year;
  - o. Keywords;
  - p. Traffic Sources;
  - q. Additional analytics may be required for viral and/or use generated initiatives and other niche micro-sites;

- r. Ad tracking reports;
- s. Keyword searches; and,
- t. Other reports that may be necessary.

A.4.12. Contractor will provide throughput capability to handle increases in visitor, consumer and/or advertising traffic to the Website. Traffic to the www.tnvacation.com Website during the past fiscal year (July 1, 2007 through June 30, 2008) generated 4,599,238 visits and 36,813,184 with an average time on site of 3:54 although seasonal micro-sites and niche sites with unique URLs are not included in these totals.

A.4.13. Contractor shall maintain an office in Tennessee.

A.4.14. Contractor will provide estimates, accounting documentation and other financial information as needed to comply with the Contract's payment terms and conditions as set forth in Section C hereof.

A.5. Customer Relationship Management (CRM) System and Lead Generation.

A.5.1. Contractor shall be responsible for a customer relationship management ("CRM") system and provide the following services:

- a. Evaluation of the State's current CRM system services, development of a plan and timeline for changes and/or additions to the current system within sixty (60) days from the start date of this Contract, and provide ongoing evaluation and maintenance of the CRM system;
- b. Provide a CRM system application capable of capturing and storing customer/consumer information entered on the Website;
- c. Continue efforts to increase both the quality and quantity of subscribers on the Website customer database;
- d. Further develop and implement an automated import mechanism for importing call center consumer records that are e-mailed as an attached comma separate value ("CSV") file, and a documented manual import procedure for periodic importing of consumer information;
- e. Develop and implement a CRM system user interface for use by the State which is capable of creating and storing text and graphic content for e-newsletters;
- f. Have the ability to select certain e-mail recipients based on recorded e-mail attributes including, but not limited to, area and/or activity of interest as contained in the CRM system database; and,
- g. Provide an integrated e-mail gateway for outbound, CRM system based e-mails.

A.5.2. Contractor will create and distribute CRM based outbound e-mails, newsletters, or other promotional announcements to subscribed customers that are maintained in the CRM system and implement lead generation programs that will increase the number of customers maintained in the data base. There are approximately 500,000 customers currently in the data base.

- a. Distributed e-mails should be developed in conjunction with the marketing and advertising strategy used on the Website;

- b. Content of e-mails should be consistent with areas of activity and/or interest requested by the customers and maintained in the CRM system;
  - c. Lead generation activities should include programs that allow participation by tourism organizations and attractions. These programs would require the Contractor to sell lead generation co-op opportunities to these tourism organizations.
  - d. Expansion of CRM customer database should include opportunities for Website interaction (viral marketing) to generate more subscribed tourism customers.
  - e. Contractor should maintain an expert knowledge of new technology and lead generation techniques and make recommendations that may benefit the State's CRM and lead generation activities.
- A.5.3. Provide monthly reports of the CRM system and the e-mail lead generation activities to the State and the State's off-line advertising and media placement contractor to measure effectiveness of the activities and assist the State in better understanding Website customers and how to best formulate effective off-line and on-line marketing strategies.
- A.5.4. Contractor shall provide all hardware, software and telecommunication equipment needed for the development, deployment, hosting, operation and administration of the CRM system.
- A.5.5. Any and all rights in and to the programming, source codes, data and related deliverables as a result of the CRM system, lead generations, and e-mails developed and/or provided by Contractor pursuant to the terms of this Contract shall be the sole and exclusive property of the State except as otherwise may be mutually agreed to in writing and signed by the parties to this Contract with acknowledgement and approval in accordance with State contract requirements.
- B. Contract Term. This Contract shall be effective for the period commencing on March 4, 2009, and ending on March 3, 2014. 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 Seven Million Five Hundred Thousand Dollars (\$7,500,000.00). 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 upon 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.

C.3.1. The Contractor's compensation shall be contingent upon the satisfactory completion of units, milestones or increments of service defined in Section A.

C.3.2. The Contractor shall be compensated for the described services set forth in Sections A.2 through A.5 based upon the following Service Rates:

a. For the services set forth in Sections A.2, A.4 and A.5 performed from March 4, 2009, through March 3, 2010:

Service Descriptions	Amount per compensable increment*
Creative Design Manager	\$ 89.00 hour
Senior Programmer/Analyst	\$ 89.00 hour
Database/System Administrator	\$ 89.00 hour
Junior Programmer/Analyst	\$ 53.00 hour
Project/Account Manager	\$ 53.00 hour
Content Coordinator	\$ 63.00 hour
Researcher	\$ 63.00 hour
Account Assistant	\$ 63.00 hour
Clerical/Data Entry	\$ 63.00 hour
Website/CRM Hosting	\$ 1.00 month

b. For services set forth in Sections A.2, A.4 and A.5 performed from March 4, 2010, through March 3, 2011, the Contractor shall be compensated based upon the Service Rates fixed in Section C.3.2(a) above but adjusted by the percentage increase, if any, between the Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, all items expenditure category, not seasonally adjusted, index base period: 1982-84=100) published by the United States Department of Labor, Bureau of Labor Statistics in February 2010 and that figure published in the same month, 12-months prior, up to a maximum of three percent (3%).

c. For services set forth in Sections A.2, A.4 and A.5 performed from March 4, 2011, through March 3, 2012, the Contractor shall be compensated based upon the Service Rate fixed in Section C.3.2(b) above but adjusted by the percentage increase, if any, between the Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, all items expenditure category, not seasonally adjusted, index base period: 1982-84=100) published by the United States Department of Labor, Bureau of Labor Statistics in February 2011 and that figure published in the same month, 12-months prior, up to a maximum of three percent (3%).

d. For services set forth in Sections A.2, A.4 and A.5 performed from March 4, 2012, through March 3, 2013, the Contractor shall be compensated based upon the Service Rate fixed in Section C.3.2(c) above but adjusted by the percentage increase, if any, between the Consumer Price Index for All Urban Consumers

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(CPI-U): U.S. city average, all items expenditure category, not seasonally adjusted, index base period: 1982-84=100) published by the United States Department of Labor, Bureau of Labor Statistics in February 2012 and that figure published in the same month, 12-months prior, up to a maximum of three percent (3%).

- e. For services set forth in Sections A.2, A.4 and A.5 performed from March 4, 2013, through March 3, 2014, the Contractor shall be compensated based upon the Service Rate fixed in Section C.3.2(d) above but adjusted by the percentage increase, if any, between the Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, all items expenditure category, not seasonally adjusted, index base period: 1982-84=100) published by the United States Department of Labor, Bureau of Labor Statistics in February 2013 and that figure published in the same month, 12-months prior, up to a maximum of three percent (3%).
- C.3.3. The Contractor shall not be compensated for travel time to the primary location of service.
- C.3.4. Pursuant to Contract Section A.2, the State may authorize the Contractor to incur production-related costs which are not remunerated in accordance with the preceding Contract sections. In which case, the Contractor shall procure such on a competitive basis, document the competitive basis and provide the documentation to the State. For each production-related expense approved in advance by the State in writing, the State shall reimburse the Contractor for the Contractor's actual costs. Contractor shall not be reimbursed for any production-related expense not approved in writing in advance by the State.
- C.3.5. In connection with Contractor's services as set forth in Section A.3 for on-line media placements and buys, the State shall compensate and/or reimburse Contractor as follows:
- a. Following the State's approval of a media purchase/placement plan, Contractor shall negotiate the best price for such media purchase/placement.
  - b. The State shall reimburse the Contractor the net cost of media purchased (i.e., net of any discounts, rebates, etc. that the Contractor receives or is entitled to receive). The discounts and rebates shall be deducted from the cost of media purchased to derive the net media placement cost. The State shall then pay the Contractor a commission fee of one-hundredth of one percent (0.01%) of the net media placement cost. Contractor's compensation shall be contingent upon the satisfactory completion of such an on-line media purchase/placement.
  - c. The payment to Contractor as set forth in Section C.3.5(b) shall constitute the total amount payable to the Contractor for on-line media purchase and placement services and any and all costs associated therewith.
- 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 amounts stipulated in Sections C.3 above, and as required below prior to any payment.
- C.5.1. The Contractor shall submit invoices no more often than monthly, with all necessary supporting documentation, to:

Tennessee Department of Tourist Development  
Attn: Assistant Commissioner of Marketing  
Wm. Snodgrass/TN Tower, 25<sup>th</sup> Fl.  
312 Rosa L. Parks Avenue  
Nashville, TN 37243-1102

C.5.2. The Contractor agrees that each invoice submitted shall clearly and accurately (all calculations must be extended and totaled correctly) detail the following required information.

- a. Invoice/Reference Number (assigned by the Contractor);
- b. Invoice Date;
- c. Invoice Period (period to which all invoiced charges are applicable);
- d. Contract Number (assigned by the State to this Contract);
- e. Account Name: Tennessee Department of Tourist Development, Marketing Division;
- f. Account/Customer Number (uniquely assigned by the Contractor to the above-referenced Account Name);
- g. Contractor Name;
- h. Contractor Federal Employer Identification Number or Social Security Number (as referenced in this Contract);
- i. Contractor Contact (name, phone, and/or fax for the individual to contact with billing questions);
- j. Contractor Remittance Address;
- k. Complete Itemization of Charges, which shall detail the following:
  - (1) Service or Milestone Description (including name/title as applicable) of each service invoiced;
  - (2) Number of Completed Units, Increments, Hours, or Days as applicable, of each service invoiced;
  - (3) Applicable Service Rate (as stipulated in Section C.3.2(a-e) of each service invoiced;
  - (4) Amount Due by Service;
  - (5) Reimbursement for production-related costs requested in accordance with Contract Section C.3.4 and/or for media purchased pursuant to Section C.3.5;
  - (6) Payment in the amount of one-hundredth of one percent (0.01%) of the actual cost for the media purchased in accordance with Section C.3.5(b); and,
  - (7) Total Amount Due for the invoice period.

C.5.3. The Contractor understands and agrees that an invoice to the State under this Contract shall:

- a. Include only charges for services described in Contract Section A and in accordance with payment terms and conditions set forth in Contract Section C;
- b. not include any future work but will only be submitted for completed service; and,
- c. not include sales tax or shipping charges.

C.5.4. 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.

C.5.5. 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.

- C.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 or any amendment thereof 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 Sixty days (60) days written notice before the effective termination date. 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. 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.
- 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. The Contractor shall compensate the State 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 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 non-discrimination and shall post in conspicuous places, available to all employees and applicants, notices of non-discrimination.
- 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.
- D.8.1. 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 as Attachment 1, 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.
- D.8.2. 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.
- D.8.3. 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.8.4. 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.
- D.8.5. 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 of services rendered under this Contract. The books, records and documents of the Contractor, insofar as they relate to work performed under this Contract, shall be maintained for a period of three (3) full years from the final date of this Contract 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. 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.11. Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.
- D.12. 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 agreement 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.13. 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 a 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.14. State Liability. The State shall have no liability except as specifically provided in this Contract.
- D.15. 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, acts of God, natural disasters, riots, wars, strikes, epidemics or any other similar cause.
- D.16. State and Federal Compliance. The Contractor shall comply with all applicable State and Federal laws and regulations in the performance of this Contract.
- D.17. 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 therefrom, 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.18. 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.19. 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.20. Headings. Section headings 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:

Nancy Hargiss-Tatlock, General Counsel  
Department of Tourist Development  
WRS/Tennessee Tower, 25<sup>th</sup> Floor  
312 Rosa L. Parks Avenue  
Nashville, TN 37243  
Telephone: (615) 741-9065  
Facsimile Number: (615) 741-7225  
E-mail: Nancy.Hargiss-Tatlock@state.tn.us

The Contractor:

Brandon Rochelle, President  
New Century Group, Inc. dba Designsensory  
8351 E. Walker Springs Lane NW  
Onyx Pointe Suite 402  
Knoxville, TN 37923  
Telephone: (865) 690-2249  
Facsimile Number: (865) 566-0045  
E-mail: brochelle@designsensory.com

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

E.3. State Furnished Property. The Contractor shall be responsible for the correct use, maintenance, and protection of all articles of nonexpendable, tangible, personal property furnished by the State for the Contractor's temporary use under this Contract. Upon termination of this Contract, all property furnished shall be returned to the State in good order and condition as when received, reasonable use and wear thereof excepted. Should the property be destroyed, lost, or stolen, the Contractor shall be responsible to the State for the residual value of the property at the time of loss.

E.4. 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.5. Insurance. The Contractor shall carry adequate liability and other appropriate forms of insurance.

E.5.1. The Contractor shall maintain, at minimum, the following insurance coverage:

- a. Workers' Compensation/ Employers' Liability (including all states coverage) with a limit not less than the relevant statutory amount or one million dollars (\$1,000,000) per occurrence for employers' liability whichever is greater.
- b. Comprehensive Commercial General Liability (including personal injury & property damage, premises/operations, independent contractor, contractual liability and completed operations/products) with a bodily injury/property damage combined single limit not less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate.
- c. Automobile Coverage (including owned, leased, hired, and non-owned vehicles) with a bodily injury/property damage combined single limit not less than one million dollars (\$1,000,000) per occurrence.
- d. Professional Malpractice Liability with a limit of not less than one million dollars (\$1,000,000) per claim and two million dollars (\$2,000,000) aggregate.

E.5.2. At any time the State may require Contractor to provide a valid Certificate of Insurance detailing Coverage Description; Insurance Company & Policy Number; Exceptions and Exclusions; Policy Effective Date; Policy Expiration Date; Limit(s) of Liability; and, Name and Address of Insured. Failure to provide required evidence of insurance coverage shall be a material breach of this Contract.

E.6. Ownership of Software and Work Products.

E.6.1. Definitions.

- a. "Contractor-Owned Software," which shall mean commercially available software the rights to which are owned by Contractor, including but not limited to commercial "off-the shelf" software which is not developed using the State's money or resources.
- b. "Custom-Developed Application Software," which shall mean customized application software developed by Contractor solely for State.
- c. "Rights Transfer Application Software," which shall mean any pre-existing application software owned by Contractor or a third party, provided to State and to which Contractor will grant and assign, or will facilitate the granting and assignment of, all rights, including the source code, to State.
- d. "Third-Party Software," which shall mean software not owned by the State or the Contractor."
- e. "Work Product," which shall mean all deliverables exclusive of hardware, such as software, software source code, documentation, planning, etc., that are created,

designed, developed, or documented by the Contractor for the State during the course of the project using the State's money or resources, including Custom-Developed Application Software. If the system solution includes Rights Transfer Application Software, the definition of Work Product shall also include such software.

E.6.2. Rights and Title to Software.

- a. All right, title and interest in and to the Contractor-Owned Software shall at all times remain with the Contractor, subject to any license granted herein.
- b. All right, title and interest in and to the Work Product, and to modifications thereof made by the State, including without limitation all copyrights, patents, trade secrets and other intellectual property and other proprietary rights embodied by and arising out of the Work Product, shall belong to the State. To the extent such rights do not automatically belong to the State, Contractor hereby assigns, transfers, and conveys all right, title and interest in and to the Work Product, including without limitation the copyrights, patents, trade secrets, and other intellectual property rights arising out of or embodied by the Work Product. Contractor shall execute any other documents that the State or its counsel deem necessary or desirable to document this transfer and/or allow the State to register its claims and rights to such intellectual property rights or enforce them against third parties, and Contractor shall cooperate fully in the foregoing endeavors.
- c. All right, title and interest in and to the Third-Party Software shall at all times remain with the third party, subject to any license granted thereby.

E.6.3. Nothing in the Contract shall prohibit the Contractor's use for its own purposes of the general knowledge, skills, experience, ideas, concepts, know-how, and techniques obtained and used during the course of providing the services requested under this Contract.

E.6.4. Nothing in the Contract shall prohibit the Contractor from developing for itself, or for others, materials which are similar to and/or competitive with those that are produced under this Contract.

E.7. Incorporation of Additional Documents. Included in this Contract by reference are the following documents:

- a. The Contract document and its attachments;
- b. All Clarifications and addenda made to the Contractor's Proposal;
- d. The Request for Proposal and its associated amendments;
- d. Technical Specifications provided to the Contractor; and,
- e. The Contractor's Proposal.

In the event of a discrepancy or ambiguity regarding the Contractor's duties, responsibilities, and performance under this Contract, these documents shall govern in order of precedence detailed above.

E.8. Prohibited Advertising. The Contractor shall not refer to this Contract or the Contractor's relationship with the State hereunder in commercial advertising in such a manner as to state or imply that the Contractor or the Contractor's services are endorsed. It is expressly understood

and agreed that the obligations set forth in this section shall survive the termination of this Contract in perpetuity.

- E.9. Confidentiality of Records. Strict standards of confidentiality of records shall be maintained in accordance with the law. All material and information, regardless of form, medium or method of communication, provided to the Contractor by the State or acquired by the Contractor on behalf of the State shall be regarded as confidential information in accordance with the provisions of State law and ethical standards and shall not be disclosed, and all necessary steps shall be taken by the Contractor to safeguard the confidentiality of such material or information in conformance with State law and ethical standards.

The Contractor will be deemed to have satisfied its obligations under this section by exercising the same level of care to preserve the confidentiality of the State's information as the Contractor exercises to protect its own confidential information so long as such standard of care does not violate the applicable provisions of the first paragraph of this Section.

The Contractor's obligations under this Section do not apply to information in the public domain; entering the public domain but not from a breach by the Contractor of this Contract; previously possessed by the Contractor without written obligations to the State to protect it; acquired by the Contractor without written restrictions against disclosure from a third party which, to the Contractor's knowledge, is free to disclose the information; independently developed by the Contractor without the use of the State's information; or, disclosed by the State to others without restrictions against disclosure.

It is expressly understood and agreed that the obligations set forth in this section shall survive the termination of this Contract.

- E.10. 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.
- E.11. Contractor's Commitment to Diversity. The Contractor shall comply with and make reasonable business efforts to exceed the commitment to diversity represented by the Contractor's proposal responding to RFP-326.01-902 (Attachment 6.3, Section B, Item B.15.) and resulting in this Contract.

The Contractor shall assist the State in monitoring the Contractor's performance of this commitment by providing, as requested, a quarterly report of participation in the performance of this Contract by small business enterprises and businesses owned by minorities, women, and persons with a disability. Such reports shall be provided to the state of Tennessee Governor's Office of Business Diversity Enterprise in form and substance as required by said office.

- E.12. 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 the TCRS the amount of retirement benefits the Contractor received from TCRS during the period of this Contract.

E13. 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](http://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.14. 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 including, but not limited to, timely and prompt payment of invoices/bills from media vendors, printers and other entities furnishing services in connection with this Contract as well as other matters attendant to the Contract as a whole. 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.

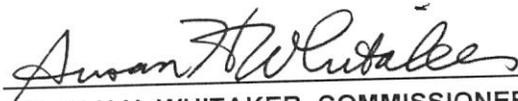
IN WITNESS WHEREOF:

NEW CENTURY GROUP, INC. dba DESIGNSENSORY:

  
\_\_\_\_\_  
BRANDON ROCHELLE, PRESIDENT

2/19/2009  
\_\_\_\_\_  
DATE

DEPARTMENT OF TOURIST DEVELOPMENT

  
\_\_\_\_\_  
SUSAN H. WHITAKER, COMMISSIONER

2/23/09  
\_\_\_\_\_  
DATE

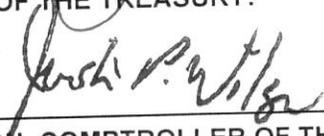
APPROVED:

DEPARTMENT OF FINANCE AND ADMINISTRATION:

  
\_\_\_\_\_  
M. D. GOETZ, JR., COMMISSIONER

3/4/09  
\_\_\_\_\_  
DATE

COMPTROLLER OF THE TREASURY:

  
\_\_\_\_\_  
JUSTIN P. WILSON, COMPTROLLER OF THE TREASURY

3/10/09  
\_\_\_\_\_  
DATE

**ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE**

SUBJECT CONTRACT NUMBER:	
CONTRACTOR LEGAL ENTITY NAME:	New Century Group, Inc. dba Designsensory
FEDERAL EMPLOYER IDENTIFICATION NUMBER: (or Social Security Number)	04-3766688

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.

Brandon Rochelle, President

PRINTED NAME AND TITLE OF SIGNATORY

Brandon Rochelle, President

DATE OF ATTESTATION

02/19/2009

**FA CONTRACT INFORMATION SUPPLEMENT**  
 FOR ALL FA-TYPE CONTRACTS — COMPLETE EITHER SECTION A OR SECTION B

<b>Contract RFS #</b>	32601-90209
<b>Contractor:</b>	New Century Group, Inc. dba Designsensory

<b>SECTION A— CONTRACTOR IS AN INDIVIDUAL</b>	<b>SECTION B— CONTRACTOR IS A COMPANY (e.g., sole proprietorship, partnership, or corporation)</b>
<b>Is or has the contractor been a state employee?</b>  <input type="checkbox"/> <b>NO</b> (no additional information required) <input type="checkbox"/> <b>YES</b>	<b>Does an individual, who is or has been a state employee, own controlling interest in (or own) the contractor company?</b>  <input checked="" type="checkbox"/> <b>NO</b> (no additional information required) <input type="checkbox"/> <b>YES</b>
<b>Was such employment within the past six months?</b>  <input type="checkbox"/> <b>NO</b> <input type="checkbox"/> <b>YES</b> (an approved rule exception permitting a contract within six months of employment is also required)	<b>Was such employment within the past six months?</b>  <input type="checkbox"/> <b>NO</b> <input type="checkbox"/> <b>YES</b> (an approved rule exception permitting a contract within six months of employment is also required)
<b>Does the contractor receive Tennessee Consolidated Retirement System (TCRS) retirement benefits?</b>  <input type="checkbox"/> <b>NO</b> <input type="checkbox"/> <b>YES</b> (the procuring agency general counsel <i>MUST</i> sign an analysis of this procurement using the TCRS analysis guidelines)	<b>Does the individual who owns controlling interest in the contractor company receive Tennessee Consolidated Retirement System (TCRS) retirement benefits?</b>  <input checked="" type="checkbox"/> <b>NO</b> <input type="checkbox"/> <b>YES</b> (the procuring agency general counsel <i>MUST</i> sign an analysis of this procurement using the TCRS analysis guidelines)

<b>CONTRACTOR SIGNATURE</b>	
 Brandon Rochelle	02/19/2009
<b>CONTRACTOR</b> New Century Group, Inc. dba Designsensory	<b>DATE</b>