

Term Contract

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| University Address | Information |
| The University of Tennessee Purchasing Department 5723 Middlebrook Pike Knoxville , TN 37921 | Date: 08/06/2009 Contract No: 4600002099 Validity Date From: 04/12/2009 Validity Date To: 12/31/2013 Payment Terms: Within 30 days Due net Delivery Terms: U.T. Destination Buyer: Lisa Pate Phone: 865-974-3101 Fax: 865-974-2973 Framework Order #: |
| Vendor Address | |
| Vendor No 1070798 CUSHION SEATS INC 520 MC CALL RD MANHATTAN KS 66502 | |

| Item | QTY | UM | Material/Description | Price Per Unit | Net Amount |
|------|-----|----|----------------------|----------------|------------|
|------|-----|----|----------------------|----------------|------------|

NOTICE OF AWARD

REF: CONTRACT #8500008802

VALIDITY PERIOD: 4/12/09 - 12/31/13

VENDOR CONTACT:

Nikki Miller @ 877-610-4130; Fax 877-610-4125

Email: nikki@seatbacks.com

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|-------|---|-----|--------------------------|------|------|
| 00001 | 1 | LOT | CHAIR BACK SALES PROGRAM | 0.01 | 0.01 |
|-------|---|-----|--------------------------|------|------|

FOR NEYLAND STADIUM.

Scope of work: to provide a chair back rental program for Neyland Stadium located in Knoxville, TN. Contractor is responsible for providing a turnkey operation including supplying the product, storage, inventory maintenance, sale of chair backs to patrons, collection of fee, temporary labor, etc. The university will provide only the space and opportunity for the contractor to sell chair backs to attendees of UT football games.

- 1) VENDOR TO PROVIDE SEASON-LONG RENTAL OF CHAIR BACKS. UT TO RECEIVE 50% OF GROSS SALES LESS APPLICABLE SALES TAX PLUS A REBATE OF \$5 PER SEAT OR A GUARANTEE OF \$335,000 PER YEAR, WHICHEVER IS GREATER. SEASON RENTAL RATES FOR SEASON TICKET HOLDERS BEFORE THE FIRST DEADLINE (JULY 31ST) IS \$40 PER CHAIR BACK. SEASON TICKET HOLDERS WHO PURCHASE AFTER THE DEADLINE SHALL BE CHARGED \$49 PER CHAIR BACK.
- 2) THE UNIVERSITY WILL COLLECT AND REMIT SALES TAXES ON ORDERS THAT IT TAKES AND THE COMPANY AGREES TO COLLECT AND REMIT SALES TAX ON THE ORDERS THAT IT TAKES. THE MINIMUM ANNUAL ROYALTY GUARANTEE OF \$335,000 IS EXCLUSIVE OF SALES TAX.
- 3) VENDOR TO IMPLEMENT SEASON RENTAL PROGRAM, INCLUDING MARKETING

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THE PROGRAM AND INSTALLATION/REMOVAL OF THE CHAIR BACKS.

4) VENDOR TO COLLECT MONIES AND REMIT THE UNIVERSITY'S REVENUE SHARE ON SEPT. 1 AND DEC. 1 OF CURRENT YEAR

5) VENDOR TO STORE THE CHAIR BACKS AT AN OFF SITE STORAGE FACILITY AT CONTRACTOR'S EXPENSES DURING THE OFF SEASON. DURING THE SEASON, CONTRACTOR TO STORE THE EXTRA CHAIR BACKS ON CUSTOMER SERVICE CARTS.

6) VENDOR TO ABSORB ALL VANDALISM COSTS

GAME SCHEDULE:

EIGHT (8) HOME GAMES SCHEDULED FOR 2009 SEASON. FUTURE SCHEDULES MAY BE FOUND AT:

<http://www.utsports.com/sports/m-footbl/sched/tenn-m-footbl-sched.html>

THIS CONTRACT IS BASED ON THE FOLLOWING:

- 1 - Cushion Seats Inc. bid response dated 3/10/09
- 2 - RFQ Collective No. 20003838 dated 2/25/09

Any questions regarding this contract should be directed to Lisa Pate.

ACCEPTED BY:

J. T. Wade, C.P.M., Director of Purchasing

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