

## Purchase Order Terms and Conditions (Goods and/or Services)

1. **Applicability; Objection to Additional or Different Terms and Conditions.** This document, together with Buyer's purchase orders and any exhibits, attachments and other documents incorporated by reference (collectively, the "P.O.") is an offer by Buyer to purchase the goods and/or services indicated on the P.O. ("Work") upon the terms and conditions contained herein. SELLER'S ACCEPTANCE OF THE P.O. IS EXPRESSLY CONDITIONED UPON SELLER'S ASSENT TO ALL OF THE TERMS AND CONDITIONS HEREOF AND IS LIMITED TO THE TERMS AND CONDITIONS SET FORTH HEREIN. Terms or conditions contained on any prior, contemporaneous or subsequent communication from Seller or Buyer (whether written, verbal or transmitted through electronic means, including but not limited to catalogs, merchandise material, delivery documents, and acknowledgements) that submit, propose, or state any additions, changes, deviations, or modifications to the P.O. shall automatically be deemed void, objected to and rejected by Seller and Buyer. By acknowledging receipt of the P.O. or by supplying the Work described in the P.O., Seller agrees to the terms and conditions set forth herein. Once accepted, the P.O. is the final and complete expression of agreement between Buyer and Seller, setting forth the entire agreement between Buyer and Seller regarding this transaction and including all promises and representations both express and implied. Any matters not contained herein, or otherwise referenced or incorporated herein, are not a part of the P.O. For Work consisting of goods, whenever any term or condition of sale is not addressed by the P.O., the Uniform Commercial Code, as adopted by the State of Texas, will apply.
2. **Standard of Performance.** Seller warrants that all Work shall be performed by personnel experienced and highly skilled in their profession and in accordance with the highest applicable standards of professionalism for comparable or similar Work. Seller shall be responsible for the professional quality, timeliness, coordination and completeness of the Work. Seller personnel assigned to perform Work within any Buyer facility shall be as proposed by Seller and approved by the Buyer. No such personnel of Seller shall be reassigned without the approval of the Buyer. Seller shall use only personnel required for the performance of the Work who are qualified by education, training and experience to perform the tasks assigned to them. Seller agrees to replace any of its employees whose performance is considered by the Buyer to be unsatisfactory or contrary to the requirements of the Work. The Buyer shall not supervise nor control the details of Seller's performance of the Work, but rather shall be interested only in the results of Seller's Work. Seller shall be excused for any nonperformance due principally to circumstances which are both beyond its control and not foreseeable, but in no event shall Seller be excused for any inability to obtain goods or services necessary for Seller's performance, nor for any labor dispute involving employees of Seller,
3. **Assurance.** If at any time Buyer in good faith determines that it questions Seller's ability or intent to perform, then Seller agrees to provide Buyer with written assurance fully satisfactory to Buyer, in Buyer's sole discretion, of Seller's ability and intent to fully perform. Such assurance shall be provided within the time and in the manner specified by Buyer. Seller shall immediately notify Buyer of any circumstance which may cause Seller to fail to fully perform. Upon Buyer's good faith determination that Seller cannot or will not perform, then Buyer may deem this P.O. to be breached by Seller (unless performance is excused as otherwise provided herein) and may terminate this P.O. and exercise its rights under the terms of this P.O., at law, or in equity as a result of Seller's breach.
4. **Inspection and Acceptance.** Buyer reserves the right to inspect and either accept or reject Work that contains any defect in materials, workmanship, or design or fails to conform to the written specifications (the "Specifications") provided to Buyer for the Work ("Defective Work(s)"). Buyer may, at its option: (i) return or reject Defective Work at Seller's expense, for a full refund of the purchase price; (ii) return Defective Work to Seller for repair or replacement or require Seller to re-perform Defective Work; or (iii) exercise any other rights that Buyer may have herein, at law or in equity. Defective Work that is returned to Buyer after repair or replacement is subject to the same inspection and acceptance provisions of this P.O. as work originally delivered. If Buyer returns Defective Work to Seller for repair or replacement, Seller shall repair or replace Defective Work within five (5) days of receipt thereof. If Buyer requires re-performance of Defective Work, Seller shall re-perform the services constituting Defective Work within five (5) days of receipt of Seller's demand for re-performance. Seller shall pay all costs related to repairing, replacing, or re-performing Defective Work, including, but not limited to: labor, materials, and inspection and shipping costs to and from Buyer's facilities. If Buyer incurs any such costs

directly, Buyer may recover such costs from Seller or offset such amount against unpaid purchase orders for other Work. All Work shall be new, unless otherwise specified in this P.O. Neither Buyer's inspection nor failure to inspect shall relieve Seller of any obligations hereunder.

5. **Warranty.** Seller warrants to Buyer that the Work purchased under this P.O. is (i) free from defects in materials, workmanship or design, will be performed in a good and workmanlike manner in accordance with applicable industry standards, and in conformance with the Specifications; (ii) free and clear of all liens, encumbrances, security interests, burdens and/or other claims, such that good and valid title will vest in Buyer; and (iii) free of infringement or violation of any copyright, trademark or other intellectual property rights. The warranty period is one (1) year from the date of acceptance of the Work by Buyer. The warranty period for repaired or replaced Work is one (1) year from the date of acceptance by Buyer. If a defect is discovered during the one (1) year warranty period, Buyer may, at its option: (1) return or reject the Work at Seller's expense for a full refund of the purchase price; (ii) require Seller to repair, replace, or re-perform the Work within five (5) days of receipt of demand; or (iii) exercise any other rights that Buyer may have in law or equity. Work returned to Buyer under this warranty after repair or replacement is subject to the same inspection and acceptance provisions of this P.O. as Work originally delivered. If Buyer returns Work under this warranty to Seller for repair or replacement, Seller shall repair or replace goods with non-defective, conforming goods within five (5) days of receipt thereof. If Buyer demands re-performance of Work under this warranty, Seller shall re-perform the Work within five (5) days of receipt of demand for re-performance. Seller shall pay all costs related to repairing, replacing, or re-performing such Work, including, but not limited to labor, materials, inspection and shipping costs to and from any of Buyer's facilities. If Buyer incurs any such costs directly, Buyer may recover such costs from Seller or offset such amount against unpaid purchase orders for other Work. Seller will transfer any manufacturer's warranties to Buyer.
6. **Change Order.** Buyer shall be obligated to pay Seller only for Work described herein. Any additional goods and/or services must be approved in writing by Buyer. Buyer may, without invalidating this P.O., make changes to the Work to be provided hereunder. If such changes cause an increase or decrease in the cost or time required for performance of the Work, an equitable adjustment shall be made in compensation and/or period of performance, and this P.O. shall be amended accordingly in writing.
7. **Pricing; Invoices and Payment.** The prices in this P.O. include all direct, indirect, and incidental charges related to the sale and delivery of the Work to Buyer, including but not limited to packaging, packing, crating, storage, forwarding agent and brokerage fees, insurance costs, processing fees, freight shipping charges, travel costs, document fees, account management fees, duties and charges of any kind. All travel related expenses will be in accordance with Buyer's approved travel reimbursements policies and procedures in effect at the time of the applicable P.O., which will be provided to Seller upon request. Invoices will be payable thirty (30) days following Buyer's receipt of Seller's invoice, together with the appropriate supporting documentation. Each invoice should contain a P.O. line with the unit cost, quantity, and total amount being invoiced associated with the Work. Each invoice will be subject to verification by Buyer. Submit invoice in duplicate to: **Accounts Payable, P.O. Box 300327, Houston, Texas 77030.** Buyer shall have the right (but not the duty) to withhold payments due to Seller hereunder and apply same to the payment of any obligations of Seller to Buyer. Delay in receiving invoices, as well as errors and omissions on invoices, will be considered just cause for Buyer to withhold payment without losing discount privileges, if any. Seller will retain for the longer of (i) two (2) years after the delivery or completion of any Work under this P.O. or (ii) until the final resolution of any outstanding dispute between Buyer and Seller, Seller's internal books and records pertaining to the goods, in sufficient detail and condition to permit inspection, review, and/or audit of such books and records by Buyer or Buyer's authorized representatives, and Buyer or Buyer's authorized representatives shall have the right to conduct such inspection, review and/or audit of such books and records upon reasonable advance notice to Seller.
5. **Termination.** Buyer or Seller may terminate this P.O. upon default of the other party, upon written notice to the defaulting party. Buyer may terminate this P.O. at any time for any reason, upon notice to Seller. Upon termination of this P.O. by Buyer for reason(s) other than Seller's default, Buyer's entire liability shall be to purchase the following, without duplication: (i) all Work that had been purchased by Seller to fulfill Buyer's order as evidenced by reasonable documentation provided to Buyer, and (ii) all Work accepted by Buyer as of the date of the termination. Upon termination of this P.O. by Buyer due to Seller's default, Buyer may elect to

purchase, at Seller's cost, any Work Seller may have purchased to fulfill this P.O or exercise any other rights that Buyer may have in law or in equity.

6. **Sales Taxes.** Buyer is a non-profit corporation that is exempt from taxation under federal and state law; and therefore, Buyer is exempt from any taxes that arise from or relate to the Work provided by Seller pursuant to this P.O.
7. **Delivery; Title and Risk of Loss or Damage.** Time is of the essence. Failure to deliver and/or complete the Work on the date and at the place agreed to is a material default under this P.O. Seller shall notify Buyer of any delay to the delivery and/or completion date and Buyer may elect; at its option to (i) accept the revised delivery and/or completion schedule; (ii) terminate this P.O.; (iii) require Seller, at Seller's expense, to deliver the Work by a different mode of transportation; and/or (iv) exercise any other remedy available to Buyer at law or in equity. Title and risk of loss or damage to Work passes to Buyer upon Buyer's receipt of the Work.
8. **Packing, Marking and Shipment.** Seller shall prepare and pack all Work in accordance with good commercial practice so as to affect safe delivery without damage or loss. Seller shall mark each shipping container to show Buyer's P.O. number or other Buyer reference number as part of the delivery address. Seller's failure to do so will cause Buyer significant delivery difficulties and delays. Seller shall include in each container a packing list showing the P.O. number, part number, and quantity.
9. **Trademarks, Logos, and Advertising.** Buyer's name, trademark and/or logo may not be used by Seller without Buyer's prior written approval. Seller will not, without Buyer's prior approval (which approval Buyer may withhold in its discretion), refer to Buyer in any advertising, press release, client list, or other promotional or marketing materials.
10. **Confidentiality.** Seller shall not: (i) use any Confidential Information except in connection with the Work; or (ii) disclose any Confidential Information to any third party except to those who are to perform the Work, and in such case, only to the extent that such disclosure is required to perform the particular portion of the Work and only if the third party agrees in writing to keep such Confidential Information confidential. "Confidential Information" shall mean information which Seller acquires from Buyer, directly or indirectly, and all information which arises out of or is related to the Work, including, without limitation, information concerning Buyer's present and future business plans and activities and information about Buyer's operations, processes, and procedures. Confidential Information shall not include information: (i) which is legally required to be disclosed; (ii) which, at the time of disclosure, is in the public domain or comes into the public domain through no breach of this P.O.; (iii) which, prior to disclosure, was already in Seller's possession without limitation on disclosure to others; or (iv) which, subsequent to disclosure, was obtained by Seller from a third party who is lawfully in possession of the information and is not subject to a contractual or fiduciary relationship with Buyer with respect to said information
11. **Background Checks.** If Seller performs Work within any Buyer facility, Seller shall complete a background check on all of Seller's employees, representatives, contractors, and any other person providing Work within any Buyer facility ("Seller Personnel") under this P.O. The background check shall screen for criminal activity during the 7 years immediately preceding the effective date of this P.O. Upon learning that any Seller Personnel has been convicted, found guilty, or accepted deferred adjudication or a similar agreement with the court for any felony or misdemeanor involving minor children, violent activity, weapons, theft, burglary, fraud, dishonesty, drugs, or sexual activity, Seller shall notify Buyer and immediately terminate all Work on behalf of Buyer by such Seller Personnel.
12. **Conflict of interest.** Buyer's policy requires avoidance of real or apparent conflicts of interest. No employee, officer or agent of Buyer shall knowingly participate in the drafting, selection, award or administration of a request for proposal, request for quotation, or a purchasing agreement with Seller, if Buyer, or any member of Buyer's immediate family, or Buyer's business or financial interest, has a material financial interest in Seller, or is negotiating or has any arrangement concerning prospective employment with Seller. No officer, employee or agent of Buyer shall either solicit or accept gratuities, favors or anything of monetary value from Seller, including any contingent fee. If Seller has reason to believe any officer, employee or agent of Buyer has violated any provision of this paragraph, Seller shall immediately notify Buyer of the suspected violation by sending notice thereof to Buyer's Director of Compliance explaining the situation in full. Seller's failure to so notify Buyer shall be a material breach of this P.O. and Buyer, at its option, may terminate this P.O.

- 13. Insurance.** If Seller delivers or performs Work within any Buyer facility, Seller shall maintain comprehensive general and professional liability insurance with limits no less than \$1,000,000.00 per occurrence and \$3,000,000.00 annual aggregate and shall provide Buyer with certificates of insurance upon request. In addition, Seller will secure and maintain statutory minimum workers' compensation insurance. If requested by Buyer, all insurance policies hereunder shall (i) name Buyer as an additional insured, (ii) not be cancelable without thirty (30) days prior written notice to Buyer and shall be written as primary policies (primary over any insurance carried by Buyer) not contributing with and not in excess of coverage which Buyer may carry, if any, and (iii) include an endorsement waiving the insurer's right of subrogation against Buyer.
- 14. Indemnification.** SELLER SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS BUYER AND ITS AFFILIATES HARMLESS FROM AND AGAINST ALL LIENS, CLAIMS, DAMAGES, SUITS (INCLUDING LEGAL FEES AND OTHER EXPENSES INCIDENT THERETO), JUDGMENTS, AWARDS AND LIABILITY, WHETHER GROUNDLESS OR NOT, THAT ARISE OUT OF OR RELATE TO THIS P.O. OR THE WORK PROVIDED HEREUNDER (COLLECTIVELY, "**CLAIMS**"), INCLUDING, BUT NOT LIMITED TO, CLAIMS: (A) BY SUBCONTRACTORS, MATERIALMEN, SUPPLIERS, LABORERS AND OTHERS RELATING TO THE PAYMENT FOR SERVICES PROVIDED PURSUANT TO THIS P.O. OR ANY PORTION OR COMPONENT THEREOF ("**PAYMENTS**"); (B) BY AN INDIVIDUAL OR ENTITY ON ACCOUNT OF ANY DAMAGE TO PROPERTY OR INJURY (INCLUDING DEATH) TO PERSONS (INCLUDING BUT NOT LIMITED TO ANY DAMAGE OR INJURY TO THE PROPERTY OR PERSON OF ANY EMPLOYEE OF SELLER OR BUYER); OR (C) FOR BREACH OF ANY REPRESENTATION, WARRANTY, COVENANT OR OBLIGATION OF SELLER HEREUNDER. Seller shall, whenever Buyer requests, furnish Buyer with proof satisfactory to Buyer that all Payments have been made and deliver executed lien releases from Seller and its subcontractors and suppliers. Buyer shall also have the right, at its option, to pay directly to any individual or entity any payment due or to become due from Seller. Such payments shall be, at Buyer's option, credited against amounts owed to Seller or reimbursed by Seller without delay. Seller assumes all risks of damage or injury to Seller's own property or person from whatever cause.
- 12. Notice.** All notices shall be in writing and such notices shall be sent to the mailing address for the party set forth on the first page of this P.O. or any substitute mailing address the party may provide to the other by notice hereunder. Notice shall be considered to be given on the date it is sent by prepaid mail or, if otherwise delivered, on the date of delivery.
- 13. Entire Agreement; Modification; Amendment.** This P.O. constitutes the entire agreement between the Buyer and the Seller. Buyer may amend this P.O. in accordance with the terms a Section 6 of this P.O. Otherwise, this P.O. may be amended or renewed only by written agreement signed by both Buyer and Seller.
- 14. Governing Law.** This P.O. shall be governed and construed in accordance with the laws of the United States of America and the State of Texas, without regard to its conflict of laws provisions.
- 15. Venue.** Venue for any action or proceeding relating to this P.O. is only proper in Harris County, Texas. The parties hereto expressly submit to the personal jurisdiction of Harris County, Texas.
- 16. Legal Compliance.** Seller warrants that the Work and every other activity connected therewith have been and will be produced, manufactured, delivered, supplied, and performed in compliance with all applicable laws, ordinances, rules and regulations.
- 17. Assignment.** Seller shall not assign this P.O. or otherwise delegate any of its obligations hereunder without the prior written approval of Buyer, which may be withheld at Buyer's sole discretion. Buyer reserves the right to approve or disapprove all subvendors, subsuppliers, and/or subcontractors requested by Seller. Seller shall be fully responsible for all Work performed by subvendors, subsuppliers, and/or subcontractors in the same manner as if it had performed the Work itself.
- 18. Severability.** If any one or more of the provisions of this P.O., or any schedule or exhibit attached hereto or other document expressly incorporated herein by reference thereto, shall for any reason be invalid, illegal, or unenforceable, such circumstance shall not affect any other provision of this P.O. or such other document, as the case may be, and this P.O. shall continue in full force and effect and be construed as if such provision, to the extent that it is invalid, illegal, or unenforceable, had never been contained herein or therein.
- 19. Survival.** The representations and warranties made by Seller, the confidentiality obligations and the indemnities in this P.O. shall survive completion and/or termination of this P.O.
- 20. Access to Records.** Buyer shall have access to and the right to examine any directly relevant books, documents, papers, and records of Seller involving transactions related to this P.O. until the expiration of three (3) years after final payment hereunder. Seller agrees to keep and maintain such records for such period of time. If this P.O. is

for the provision of Work with a value of \$10,000 or more within a 12-month period, then until the expiration of four (4) years after the furnishing of any Work pursuant to this P.O., Seller shall make available, upon written request from the Secretary of the U.S. Department of Health and Human Services or from the U.S. Comptroller, such books, documents and records of Seller as are necessary to certify the nature and extent of the reasonable cost of services to Buyer. If Seller enters into an agreement with any related organization to provide services pursuant to this P.O. with a value of \$10,000 or more within a 12-month period, such agreement shall contain a clause identical in content to the first sentence of this Section 20. This Section 20 shall be of force and effect only to the extent required by 42 CFR 420.302

21. **Codes and Regulations.** All Work performed under this P.O. shall conform to all applicable local, county, state and federal codes and regulations. Unless otherwise provided, the codes and regulations referred to above shall be the latest edition or revision in effect as of the effective date of this P.O. Nothing in this P.O. shall be construed as requiring or permitting Work that is contrary to the above-referenced codes and regulations.
22. **Intellectual Property.** Ownership of technical data produced by or for Seller or any of its employees in the course of performing the Work hereunder and of all proprietary rights therein shall vest in and shall be delivered, upon request, to Buyer. For the purposes hereof, the term "technical data" means technical writing, pictorial reproductions, drawings or other graphical representations, tape recordings, reports, calculations, tables and documents of technical nature, whether copyrightable or copyrighted, which are made in the course of performing the services as specified. Seller may, however, use data prepared or produced under this P.O., where such data is otherwise made publicly available or with the specific approval of Buyer.