

TRINITY  HEALTH
PO TERMS AND CONDITIONS

Definitions (1) “Supplier” means a person or organization with whom Trinity Health is purchasing Products and/or Services. (ii) “Buyer” means Trinity Health, its subsidiaries or affiliates, which includes each of the entities listed on the Trinity Health website (www.trinity-health.org), which is updated regularly.

Standard Terms and Conditions: Supplier accepts and is bound by these Terms and Conditions, which are incorporated by reference into the Purchase Order (“PO”), compliance with which is an express condition of Buyer’s obligation to pay. These terms shall apply to all Buyer orders, whether such order is communicated by PO, EDI, internet e-commerce, facsimile, orally, or any other method, or whether reference is made to this document. If Supplier is not in agreement with the PO pricing or these Terms and Conditions, Supplier must notify Buyer prior to shipment of Product or performance of Services via fax number provided on the PO. No acceptance shall be effective which varies these Terms and Conditions or which proposes additional terms.

Shipment and Delivery: Unless otherwise specified on the PO, all shipments of the Supplier’s Products and Services direct from Supplier shall be FOB Destination, with all costs of shipping, insurance and handling paid by Supplier. The destination is specified on the face of the PO as the ‘SHIP TO’ address, with delivery to be made during normal business hours, Monday through Friday unless otherwise specified. Supplier shall itemize the charges for Products, Services and applicable shipping on all invoices. All other fees or costs, including handling, taxes, minimum order fees or overhead allocations may not be added to the invoice.

Inspection and/or Rejection: All Products and Services shall be subject to a reasonable inspection and approval upon receipt by Buyer. This provision shall in no way limit the remedies available to Buyer at equity or law.

- (1) **Products.** In the event that Buyer, after such inspection, rejects the Supplier’s Products due to the discovery of nonconforming, broken or damaged Supplier’s Products or the packages containing the Supplier’s Products, Buyer shall have the right, in its sole discretion, to return all or any portion of the damaged Products and demand a full credit of the purchase price or to demand the replacement of Supplier’s damaged Products. All shipping, transportation, handling and insurance costs related to the rejected and replacement Products shall be paid by the Supplier.
- (2) **Services.** Buyer shall have a minimum thirty (30) days after completion of all Services to inspect and/or evaluate the Services provided and reject any unsatisfactory Services.

Payment Terms. Unless a longer period is specified on the PO, payment for the Products and Services is due within thirty (30) days of Buyer’s receipt of Supplier’s invoice. All invoices must include the price specified on the face of the PO and the applicable PO number to be processed for payment.

- (1) **Invoice Dispute.** In the event that Buyer reasonably disputes any expense amount which appears on an invoice issued by Supplier, Buyer shall not be required to pay that portion of said amount which Buyer reasonably disputes until the dispute is resolved. Such nonpayment by Buyer shall not constitute a breach of Buyer’s obligations of payment to Supplier and the parties shall work together in good faith to resolve the dispute.
- (2) **Cash Discount.** Buyer is entitled to a cash discount of two (2%) percent for payments made with ten (10) days of Buyer’s receipt of invoice.
- (3) **Decrease in Pricing.** In the event of any industry-wide or Supplier decrease in Supplier’s published pricing, Supplier will reduce the price of Products and Services by the same percentage reduction as such industry-wide or Supplier price decrease.
- (4) **Tax.** Buyer is a tax-exempt entity and the Products and Services purchased by Buyer pursuant to the PO are not subject to sales tax in the majority of states.
- (5) **Cancellation.** Buyer reserves the right prior to shipment of Product or performance of Services, to cancel the PO in its entirety or in part by verbal notice followed by written confirmation.

Warranties: For all Products and Services provided pursuant to the PO, Supplier warrants to Buyer, its successors and users of the Products and Services as follows:

- (1) all Products will conform with the Buyer documentation and PO description, will be of good material and workmanship, will be free from defects in material and workmanship and will be merchantable and fit for the purpose intended;

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- (2) all Services shall be rendered in a timely and reliable manner by qualified personnel and at a generally recognized professional level of quality in Supplier's industry;
- (3) use of the Products and Services shall not unlawfully infringe upon the copyright, patent or other proprietary rights of others;
- (4) the Products are free of liens and encumbrances and the Supplier has the legal right to transfer title of the Products;
- (5) the Products shall have been properly stored, labeled, handled, crated and shipped by Supplier;
- (6) no slave, prisoner or any other form of forced or involuntary labor is used in the supply of Products and Services; and
- (7) all Products and Services conform to applicable federal and state laws, rules, regulations and standards, including any applicable standards of the FDA, CMS and the Joint Commission.

Access to Records: Supplier agrees that if the PO is determined to be a contract or "subcontract" within the meaning of the Medicare statutes and regulations, the Supplier will allow, until the expiration of four years after the furnishing of the Products or Services, the Secretary of the Department of Health and Human Services and the Comptroller General or any of their duly authorized representatives, access to the contract, and any books, documents and records necessary to certify the nature and extent of costs incurred by the Buyer.

Exclusion from Governmental Programs. Buyer has issued the PO with the understanding that Supplier is not excluded from participating in the Medicare or Medicaid program and not ineligible to participate in any governmental program. Supplier shall immediately notify Buyer in the event Supplier becomes debarred or suspended from any governmental program.

Deficit Reduction Act--Medicaid Requirements. Buyer is a recipient of Medicaid funds and subject to the Deficit Reduction Act. Buyer's Deficit Reduction Act policies are available to Supplier and Supplier will cooperate with Buyer to detect and prevent waste, fraud and abuse and protect whistleblowers.

Protection of Confidential Information: Buyer may disclose information regarding Buyer, its business or its patients ("Confidential Information") to Supplier in connection with the Products or Services. Buyer shall retain title to all such Confidential Information and Supplier agrees not disclose to third parties any of Buyer's Confidential Information or use such information itself for any purpose other than providing the Products and Services, without Buyer's written prior approval. Supplier shall not use Buyer's name in any advertising or publicity without Buyer's written approval. If Supplier has access to Patient Information or is considered a Business Associate under the law, Supplier will execute and comply with Buyer's Business Associate Agreement. Any on-site Supplier personnel shall comply with Buyer's requirements for on-site vendors, including registration and identification badges.

Miscellaneous. The relationship between the parties is that of an independent contractor, and neither the Supplier, nor the Supplier's agents or employees, shall be deemed to be agents or employees of Buyer. Supplier remains responsible for the performance of any subcontractors and the acts or omissions of Supplier's subcontractors shall be deemed to be the acts or omissions of Supplier. Upon request of Buyer, Supplier shall furnish to Buyer certificates of insurance maintaining applicable general liability, professional liability and workers' compensation coverage in amounts consistent with industry standards. These Terms and Conditions shall be governed by, and construed in accordance with the laws of the state where the Products are delivered or Services are performed, as specified on the face of the PO. No course of prior dealings between the parties, no usage of trade and no future acknowledgement by Supplier shall be relevant to supplement or explain any term defined by the Uniform Commercial Code.