

PURCHASE ORDER GENERAL TERMS & CONDITIONS

1. **COMPLETE AGREEMENT:** This Purchase Order which includes any supplementary sheets, schedules, bid documents, exhibits, riders, and attachments annexed hereto or any document or writing incorporated by reference by Buyer contains the complete and entire agreement between the parties and supersedes any other communications, representations or agreements, whether verbal or written with respect to the subject matter hereof and becomes a binding contract when the attached acknowledgement copy is signed by Seller and received by Buyer, (within 10 days). If any provision contained in a bid document is inconsistent with any other provisions herein, the provision contained in this P.O. agreement shall control. Any prior agreements, promises, negotiations or representations, either oral or written, relating to the subject matter of this Agreement not expressly set forth in this Agreement are of no force or effect.
2. **RISK OF LOSS AND TITLE:** Risk of loss of the goods shall pass to the Buyer at the time the goods are actually accepted by Buyer. Title to the goods shall remain with the Seller until the Buyer receives and accepts the goods.
3. **NON-ASSIGNMENT:** Seller shall not assign the order or any interest therein or any payment due or to become due thereunder without the written consent of the Buyer. Such assignment shall be void.
4. **PRICES:** The price(s) shall not be higher than that appearing on the face of this agreement, or if no price appears thereon, then no higher than that last quoted by the Seller to Buyer for the same or substantially similar articles in similar quantities.
5. **PACKING, SHIPMENT AND TRANSPORTATION:** No charge will be allowed for boxing, packing, crating or storage unless stated herein. Materials shall be suitably packed to secure the lowest transportation cost and to conform with the requirements of common carriers. Transportation charges on materials sold "delivered destination" must be prepaid.
6. **DELIVERY:** Time is of the essence in this order and delivery shall be made both in full quantities and at time specified, strictly in accordance with Buyer's delivery schedule and/or successful bid proposal. If Seller's deliveries fail to meet such schedule, Buyer, without limiting its other remedies, may direct expedited routing and the difference between the expedited routing and the regular routing costs shall be paid by Seller. Seller shall be solely responsible for materials fabricated beyond Buyer's release. Unless otherwise specified herein, no deliveries shall be made in advance of Buyer's delivery schedule. Goods delivered in excess of the quantity specified may be returned at no cost to the Buyer. Neither party shall be liable for excess costs of deliveries or defaults due to causes beyond its control and without the fault or negligence provided, however when Seller has reason to believe that deliveries will not be made as scheduled, written notice setting forth the cause of the anticipated delay will be given immediately to the Buyer.

7. **TERMINATION FOR DEFAULT:** If Seller breaches any of the terms of this Purchase Order, or of any bid specifications resulting in this Purchase Order, including warranties of Seller or if Seller becomes insolvent or files a petition for bankruptcy or reorganization of debts, Buyer shall have the right to terminate this Purchase Order without liability, by written notice to Seller. Buyer may obtain elsewhere the supplies or services affected by the termination of this Purchase Order, and charge the Seller with any cost increase caused thereby. Buyer's rights under this clause are in addition to and not in lieu of any other remedies available under this Purchase Order or provided by law.
8. **TERMINATION FOR CONVENIENCE:** Buyer reserves the right to terminate this order in whole or from time to time in part even though Seller is not in default hereunder, upon receipt of written notice of such termination. Seller shall, unless such notice otherwise directs, immediately discontinue all work on the order.
9. **REMEDIES:** The remedies herein reserved shall be cumulative and in addition to any other or further remedies provided in law or in equity. No waiver of a breach of any provision of this order shall constitute a waiver of any other right, remedy or provision.
10. **CHANGES:** Buyer shall have the right by written order to make changes as to destination, specifications, designs and delivery schedules (postponements only).
11. **INSPECTION AND REVIEW:** All purchases will be subject to Buyer's final inspection. Buyer at his option may reject any non-conforming equipment or material and return it to Seller at Seller's risk and expense at the full invoice price plus all transportation and other related costs.
12. **WORK ON BUYER'S PREMISES:** If Seller's work under the order involves operations by Seller on the premises of Buyer, Seller shall take all required precautions to prevent the occurrence of any injury to person or property during the progress of such work, and shall indemnify Buyer against all loss which may result in any way from any act or omission of the Seller, its agents, employees, or subcontractors, and Seller shall maintain such Public Liability, Property Damage and Employee's Liability and Compensation Insurance as will protect Buyer from said risks and from any claims under any applicable Workmen's Compensation and Occupational Disease Acts and shall provide Buyer with insurance certificates. Seller warrants that all work shall be in conformance with Applicable governmental codes and union conditions and shall hold Buyer harmless against any and all claims or jurisdictional disputes.
13. **WARRANTY-PRODUCTS:** (a) The Seller expressly warrants that the Articles shall be merchantable within the meaning of Articles 20314 (2) of the Uniform Commercial Code (See "CONTROLLING LAW") in effect on the date of this order. In addition to all warranties which may be prescribed by law, the Articles shall conform to specifications, drawings, and other description and shall be free from defects in materials and workmanship. Seller also warrants that to the extent the Articles are not manufactured pursuant to detailed designs furnished by Buyer, that they will be free from defects in design. Such warranties including warranties prescribed by law, shall run to Buyer, its

successors, assigns, and customers, and to users of the Articles. Seller acknowledges that all upholstered furniture at minimum meets California technical bulletins 116 and 117.

(b) In addition to the warranties and conditions listed above all orders by Buyer for electrical equipment are subject to the following conditions to which Seller hereby warrants and agrees:

- (1) Such equipment shall be UL listed as suitable for use in Health Care Facilities.
- (2) Such equipment shall comply with the applicable requirements of the current NFPA Standards and Guidelines relating to Health Care Facilities.
- (3) Such equipment shall be provided with three prong, heavy duty power cords not to exceed eight feet in length and shall have a hospital grade plug.
- (4) Maximum leakage current shall not exceed the values established by NFPA. The actual leakage current test values for the pieces of equipment supplied shall be furnished at the time of delivery to the hospital.
- (5) The nameplate provided on the equipment shall indicate the appliance Class and if it is suitable for use with Anesthetic Gasses or Products.
- (6) In addition, suitable operator and service manuals shall accompany all units when delivered. Said manuals shall include:
 - (A) Illustrations which show locations of controls.
 - (B) Explanations of the function of each control.
 - (C) Illustrations of proper connection to the patient and other equipment.
 - (D) Step by step procedure for proper use of appliance.
 - (E) Safety precautions (or considerations) in application and in servicing.
 - (F) Effects of probable malfunctions on patient and employee safety.
 - (G) Difficulties that might be encountered, and care to be taken if the appliance is used on a patient at the same time as other electric devices.
 - (H) Circuit diagrams for the particular appliance shipped, if available.
 - (I) Functional description of the circuit.
 - (J) Power requirements, heat dissipation, weight, dimensions, output current, output voltage and other pertinent data.

- (7) Condensed operating instructions are to be clearly and permanently displayed on the equipment itself.
 - (8) Seller shall provide operator training and instruction by demonstration on the equipment supplied.
 - (9) Seller shall provide preventative maintenance and repair instruction to hospital personnel.
 - (10) Seller shall provide repair parts lists, ordering instructions, and information as to sources of supply for such repair parts.
 - (11) All equipment nameplates, warning signs, condensed operating instructions, labels, etc. are to be legible and remain so for the expected life of the equipment under the usual stringent hospital service and cleaning conditions. Labeling shall be clear and concise and free of misinterpretation.
14. PATENTS: By accepting this order Seller guarantees that the material hereby ordered and the sale, lease or use of it will not infringe on any United States or foreign patents and the Seller agrees to defend, protect and save harmless the Buyer, its successors, assigns, customers and users of its products, against all suits and from all damages for actual or alleged infringements of any patent by reason of the sale, lease or use of the material hereby ordered.
15. INDEMNITY AND INSURANCE: (a) Seller shall defend, indemnify and hold Buyer, its employees, and users of the purchased Articles, harmless from any property damage, personal injuries, or death arising out of the purchase and/or use of the Articles purchased hereunder and/or arising out of Seller's (or its subcontractor's) work or performance hereunder and shall procure and maintain liability insurance, with contractual liability coverage, with minimum limits of \$100,000/\$300,000/\$500,000 or with such higher limits as Buyer shall reasonably request. Seller shall on or before delivery of the Articles purchased hereunder, furnish to Buyer a certificate of Insurance evidencing the foregoing coverage and limits.
- (b) Seller shall defend, indemnify and hold Buyer harmless from the assessments by any third party of any liquidated damages or proven actual damages arising out of the failure of Seller to timely deliver the Articles purchased hereunder.
- (c) Seller shall defend, indemnify and hold harmless Buyer, its officers, directors, agents and employees from and against any and all damages, charges, losses (including the cost of any Articles lost by libel, condemnation or voluntary recall), actions, and proceedings brought by the United States of America or any state or local government or any agency or instrumentality thereof against Buyer, its officers, directors, agents and/or employees or against any such Articles by reason of any claim or findings by and said public authority that any such Articles are not as herein guaranteed.

16. OCCUPATIONAL SAFETY AND HEALTH WARRANTY: Seller warrants that the product sold or service rendered to the Buyer shall conform to the standards and/or regulations promulgated by the U.S. Department of Labor under the Occupational Safety and Health Act of 1970 (29 U.S.C. 651). In the event the product sold does not conform to the OSHA standards and/or regulations, the Buyer may return the product for correction or replacement at Seller's option and at Seller's expense. Services performed by the Seller which do not conform to the OSHA standards and/or regulations must be corrected by Seller at Seller's expense or may be corrected by Buyer at Seller's expense in the event Seller fails to make the appropriate correction within a reasonable time.
17. CONTROLLING LAW: This order and the performance of the parties hereunder shall be controlled and governed by the law of the State of Nevada.
18. FUND OUT CLAUSE: This clause and terminology is NOT negotiable. In the event the governing body does not appropriate sufficient funds in the succeeding fiscal years to meet the financial obligations contained in this Agreement, this Agreement shall be terminated.
19. PAYMENT TERMS: Invoice payment terms will be the later of; date of delivery and acceptance of the goods/service ordered, or date of receipt of correct and proper invoices per the terms of the purchase order. Payment is deemed to have been made on the date UMC mails the warrant.
20. PUBLIC LAW: In compliance with 42 USC 1935x (v)(1)(I), for a period of four years after the furnishing of the supplies, services, and/or equipment covered by this contract, the contractor or any sub-contractor under this contract agree to make available to the Secretary of Health and Human Services, books, documents and records which relate to the cost of the items provided under this contract. This public law affects those sellers who anticipate our annual purchases to be \$10,000.00 or more.

Seller acknowledges that Buyer is a "covered entity" as that term is defined under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and as such, must take certain actions to ensure the confidentiality of information of its patients. Accordingly, Seller agrees that it shall not access, and no Seller employee or agent shall attempt to gain access to, any protected health information ("PHI"), as that term is defined under HIPAA, through Seller's provision of products or services to Buyer. In the event that Seller does gain access to PHI or its services are expanded to include access to PHI, Seller agrees to hold such information in strict confidence and agrees not to disclose any PHI for any purpose whatsoever other than expressly required by law or which may be permitted by an agreement between us. Seller further agrees to comply with all federal and state laws, rules and regulations regarding confidentiality of patient health information as they apply to Seller, including but not limited to, provisions of HIPAA and the final regulations promulgated thereunder.