

STANDARD TERMS AND CONDITIONS

“Seller” shall mean the vendor supplying products and/or services to Vidant Health or any affiliated corporation or related entities. **“Buyer”** shall mean University Health Systems of Eastern Carolina, Inc. d/b/a Vidant Health and its affiliated corporations and related entities, which shall include: Vidant Medical Center, Vidant Medical Group, HealthAccess, SurgiCenter, Vidant Community Hospitals, Vidant Beaufort Hospital, Vidant Bertie Hospital, Vidant Chowan Hospital, Vidant Duplin Hospital, Vidant Edgecombe Hospital, Vidant Pungo Hospital, Vidant Roanoke-Chowan Hospital, and The Outer Banks Hospital. **“Vidant Medical Center”** shall mean Pitt County Memorial Hospital, Inc. d/b/a Vidant Medical Center. **“Vidant Medical Group”** shall mean UHS Physicians, LLC d/b/a Vidant Medical Group. **“HealthAccess”** shall mean HealthAccess, Inc. **“SurgiCenter”** shall mean SurgiCenter of Easter Carolina, LLC. **“Vidant Community Hospitals”** shall mean East Carolina Health d/b/a Vidant Community Hospitals. **“Vidant Beaufort Hospital”** shall mean East Carolina Health-Beaufort, Inc. d/b/a Vidant Beaufort Hospital. **“Vidant Bertie Hospital”** shall mean East Carolina Health-Bertie d/b/a Vidant Bertie Hospital. **“Vidant Chowan Hospital”** shall mean East Carolina Health-Chowan, Inc. d/b/a Vidant Chowan Hospital. **“Vidant Duplin Hospital”** shall mean Duplin General Hospital, Inc. d/b/a Vidant Duplin Hospital. **“Vidant Edgecombe Hospital”** shall mean East Carolina Health-Heritage, Inc. d/b/a Vidant Edgecombe Hospital. **“Vidant Pungo Hospital”** shall mean Pungo District Hospital Corporation d/b/a Vidant Pungo Hospital. **“Vidant Roanoke-Chowan Hospital”** shall mean East Carolina Health d/b/a Vidant Roanoke-Chowan Hospital. **“The Outer Banks Hospital”** shall mean The Outer Banks Hospital, Inc. **“Order”** shall mean any proposal, invoice, quote or other purchase document that creates a contract to purchase a good or service between Seller and Buyer.

1. **APPLICATION.** All orders between Buyer and Seller shall be governed by these Standard terms and conditions.
2. **MODIFICATIONS.** Seller shall not change or modify any order placed by Buyer unless Seller receives a written change order from Buyer.
3. **SHIPMENT.** All goods shall be shipped FOB destination. If goods are not shipped in accordance with Buyer’s direction and the instructions set out in this order, Seller shall grant to the Buyer the right to setoff payment for any excess cost for shipment.
4. **PAYMENT.** Invoices shall be paid within thirty (30) days after receipt of invoice. Unless there is a dispute as to the charges.
5. **INDEMNIFICATION.** Seller and its agents agrees to defend, indemnify and hold harmless Buyer from any and all claims, demands, damages, or any other financial demands that may be alleged or realized due to any actions or omissions of Seller and/or its agents relating to this order, except that Seller does not agree to indemnify and hold harmless the Buyer from any claims which may have resulted solely from any error or omission by the Buyer. Moreover, Seller shall defend, indemnify, hold and save Buyer harmless for loss and/or liability of any nature or kind arising out of the infringement or alleged infringement of any patent, trademark, or copyright or other intellectual property rights for or on account of the manufacturer, sale or use of any goods furnished hereunder, except in the case where compliance by Seller with specifications prescribed by and originating with Buyer constitutes the sole basis of the infringement. Buyer shall notify Seller in writing of any suit filed against it or its affiliated corporations relating to the goods or services purchased hereunder, and at Seller’s request shall give Seller control of the defense of such suit, insofar as Buyer has the authority to do so, and information and assistance for the same, all at Seller’s expense. Buyer may elect to be represented by independent counsel in any such suit. Any proposed limitation of liability in any Seller document is expressly rejected by Buyer and shall be of none effect and void.
6. **EXCESS GOODS.** Except for customary quantity variations recognized by trade practice, goods in excess of those specified will not be accepted, and such goods will be held at Seller’s risk. Buyer may, and at Seller’s request shall, return such goods at Seller’s risk, and all transportation charges, both to and from the original destination shall be paid by Seller.
7. **FABRICATION AND MATERIAL COMMITMENTS.** Unless otherwise authorized in writing by Buyer, Seller shall not make commitments for materials nor fabricate in advance of time necessary to permit shipment on delivery dates.
8. **TERMINATION.** Buyer may terminate any order for its convenience, in whole or in part, by written, electronic, or telegraphic notice at any time prior to delivery or the commencement of service or upon fifteen (15) days written notice after the commencement of a service. If an order is terminated for convenience, any claim of Seller shall be settled on the basis of reasonable costs it has incurred in the performance of the order.
9. **DELAYS.** Time is of the essence as it relates to the goods or services purchased hereunder. If Seller fails or refuses to proceed with an order, or if Seller shall fail to make delivery, or Buyer to accept delivery, according to the delivery schedule, the other party may cancel the then remaining balance of any order unless the delay is an excusable delay as hereinafter defined. An excusable delay shall not constitute default hereunder. The term “excusable delay” shall mean any delay in making or accepting deliveries which result without fault or negligence on the part of the party who is in delay and which is

due to causes beyond such parties control including, without limitation, acts of God or of public enemy, any priority order issued by the Government or any other act of Government, fires, floods, freight embargoes, unusually severe weather. Each party shall notify the other, in writing, of any such delay and cause thereof. When the nonperforming party is able to resume performance of its obligations in connections with an order, it shall immediately give written notice to that effect and shall resume performance under the order. Notwithstanding the existence of an excusable delay, Buyer may terminate any order without being held in breach if Seller is unable to continue performance within a reasonable time.

10. **WARRANTY.** Seller expressly warrants that it has free and clear title to any and all goods, articles, or materials sold. Further, Seller expressly warrants that all the services, goods, articles, material and work covered by a purchase order will conform to the specifications, drawings, samples or other descriptions, oral or written, furnished by Seller and will be of good material and workmanship, and free from defect. Seller further warrants that they will be merchantable and fit and sufficient for the purpose intended.
11. **QUALITY.** Where Seller is supplying services to Buyer, Seller shall be subject to periodic and on-going monitoring and evaluation to determine if Seller's services are provided safely and effectively. Seller agrees to such monitoring and evaluation and shall participate in any such monitoring and evaluation as requested by Buyer without any additional compensation from Buyer to Seller. Seller shall also comply with all applicable accreditation standards, including The Joint Commission and Medicare Conditions of Participation; and comply with all Buyer performance and/or quality programs and standards applicable to Seller's services, including but not limited to quality indicators related to competency, patient satisfaction, and response times, which quality indicators may be amended by Buyer from time to time.
12. **INSPECTION AND ACCEPTANCE.** Inspection and test of goods by Buyer may at Buyer's option be made at Seller's place of business and/or the point of destination. Acceptance of goods by Buyer shall not relieve Seller from any of its obligations and warranties hereunder. In no event shall payment be deemed to constitute acceptance.
13. **DEFECTIVE GOODS.** If any of the goods fail to meet the warranties contained in Paragraph 9, Seller, upon notice thereof from Buyer, shall promptly correct or replace the same at Seller's expense. If Seller shall fail to cure such defective goods, Buyer may cancel the order as to all such goods, and in addition, may cancel the then remaining balance of the order. At Buyer's option, Buyer shall be allowed to cover for defective goods. After notice to Seller, all such defective goods will be held at Seller's risk. Buyer may, and at Seller's discretion shall, return such goods to Seller at Seller's risk, and all transportation charges, both to and from the original destination, shall be paid by Seller. Seller shall refund any payment for such goods unless Seller promptly corrects or replaces the same at its expense.
14. **APPLICABLE LAWS AND POLICIES.** Buyer and Seller shall conduct themselves in compliance with all federal, state and local laws, rules and regulations to the extent applicable to the parties and/or the goods and services sold. Seller shall also comply with and ensure that its employees and agents (including distributors) comply with Buyer's applicable policies when on Vidant property, including all: Vendor Policies and credentialing requirements, Infection Control Policies and Blood-Borne Pathogens Policies (each incorporated by reference) and/or any subsequent changes to or revisions to these policies. Copies of the aforesaid policies will be made available upon request by Seller or can be found at the "For Vendors" link at www.VidantHealth.com. Specifically, Seller shall comply with the provisions of: the Fair Labor Standards Act of 1938, as amended; section 952 of the Omnibus Budget Reconciliation Act of 1980; the Health Insurance Portability and Accountability Act of 1996, Public Law 104-91 (HIPAA*). Seller agrees, upon request, to furnish Buyer a certificate of compliance in such form as Buyer may from time to time require. The laws of the State of North Carolina govern all matters arising under or related to this Agreement and the parties consent to the exclusive jurisdiction of the North Carolina courts to resolve any controversy or claim arising out of or relating to this order.
15. **DEFICIT REDUCTION ACT OF 2005.** As specified in 42 U.S.C. § 1396a(a)(68), Seller adopts, as it relates to the provision of services to Buyer as set forth herein, and acknowledges having received Buyer's written policies regarding compliance with the federal False Claims Act, 31 U.S.C. 3729-3733, administrative remedies for false claims and statements, 31 U.S.C. Chapter 38, state laws pertaining to civil or criminal penalties for false claims and statements, and whistleblower protections under such federal and state false claims laws, as well as detailed information regarding Buyer's policies and procedures for detecting and preventing fraud, waste, and abuse. Copies of the aforesaid policies will be made available upon request by Seller or can be found at the "For Vendors" link at www.VidantHealth.com.
16. **SPECIAL TOOLS.** Unless otherwise stated, all special tools, dies, jigs, patterns, machinery and equipment needed by Seller for the performance of any order shall be obtained by Seller at its own expense and shall be the property of the Seller.
17. **ASSIGNMENT.** Seller may not assign nor transfer any of its rights under this order with Buyer including monies payable hereunder without the prior written consent of Buyer, any assignment made without such consent shall be null and void. Buyer may assign, delegate, transfer, pledge, or otherwise dispose of any rights or obligations related to this order to any subsidiary, parent corporation, or affiliate of Buyer without first obtaining consent of Seller.
18. **TAXES.** Unless otherwise stated, the prices do not include sales, use excise, and similar taxes applicable to the goods furnished hereunder or the materials used in the manufacture thereof. All such taxes and charges shall be shown separately on Seller's invoice.
19. **EXCLUSION.** Seller represents and warrants that (1) it is not excluded from participation under any federal health care program, for the provision of items or services for which payment may be made under a federal health care program; (2) it has not arranged or contracted (by employment or otherwise) with any employee or agent that Seller actually knows or should reasonably know is excluded from participation in any federal health care program; and (3) no final adverse action as such term is defined under 42 U.S.C. §1320 (a)-7(c) g, has occurred or is pending against Seller or any of its employees or agents (collectively "Exclusions/Adverse Actions"). Seller agrees, during the provision of any good or service to Buyer, to

notify Buyer in writing of any Exclusions/Adverse Actions within ten (10) days of learning of any such Exclusions/Adverse Actions and provide Buyer a written description of the basis of the Exclusions/Adverse Actions.

20. **MEDICARE DISCLOSURE REQUIREMENTS.** Buyer shall disclose on cost reports it submits to any State or Federal healthcare program, and accurately reflect where appropriate, and as appropriate, any discount received from Seller. Seller agrees to fully and accurately report such discount on the invoice or statement submitted to Buyer or, if the value of the discount is not known at the time of the sale, Seller shall fully and accurately report the existence of a discount program on the invoice or statement submitted to Buyer, inform Buyer of its obligation to report such discounts and when the value of the discount becomes known, Seller shall provide Buyer with documentation of the calculation of the discount identifying the specific good purchased to which the discount will be applied.
21. **OBRA.** Seller agrees that upon request it will make all books and records pertaining to the subject matter of this transaction available to the Secretary of Health and Human Services, the Comptroller General, or their duly authorized representative to the extent required by Section 952 of the Omnibus Budget Reconciliation Act of 1980 and will obtain a similar agreement from any related sub-contractor whom it engages to perform on its behalf. Seller further agrees, if required by law, Seller will retain any such records for at least five years after the end of any work based on order.
22. **INTELLECTUAL PROPERTY.** Seller and Buyer expressly agree that Buyer shall be the sole and exclusive owner of the entire right, title and interest, whether tangible or intangible, in and to any and all work product created, prepared or otherwise made or produced by Seller, or its Personnel, that is (1) created under this order or otherwise as a part of or in connection with Seller's performance of any services to Buyer; or (2) the actual or anticipated business or research or development of Buyer; or (3) results from the use of Buyer's time, material, private or proprietary information, or facilities ("intellectual property"). Seller hereby agrees to assign to Buyer any and all rights, title, or interest in and to all such intellectual property, including but not limited to any such inventions, discoveries, improvements, ideas, development of computer or other apparatus programs/software and documentation concerning the same, and any other work of authorship whether or not patentable, copyrightable, or subject to other protections. Seller agrees to disclose any intellectual property created to Buyer immediately upon discovery. Seller will execute a specific assignment of title to Buyer and will do anything else reasonably necessary to enable Buyer to secure and defend any patent, copyright, trademark, or any other form of legal protection worldwide for any intellectual property described above.
23. **INSURANCE.** Seller shall procure and maintain general liability, product and completed operations insurance in a minimum amount of \$1,000,000.00 per occurrence and \$3,000,000.00 in the aggregate or such other amount determined by Buyer to be adequate and shall provide sufficient evidence thereof to Buyer prior to Buyer's acceptance of the goods or services. Further, to the extent Seller's employees are physically located on Buyer's premises, Seller shall maintain Workers Compensation insurance for such employees in the amounts required by North Carolina law.
24. **REMEDIES.** No remedy herein provided shall be deemed exclusive of any other remedy allowed by law.
25. **INDEPENDENT CONTRACTORS.** The relationship between Buyer and Seller shall be that of independent contractors and they shall be construed to be agents, partners, employee or employer, or to have created a joint venture. Buyer and Seller shall not exercise control or direct the manner in which other performs their duties hereunder except to assure compliance with the order.
26. **ACCEPTANCE.** These Terms and Conditions shall not be superseded, waived or modified by any documents exchanged between Buyer and Seller, unless such document expressly modifies these Terms and Conditions and is signed by an authorized executive of Buyer. Any document which attempts to supersede, waive or modify the terms hereof or propose additional terms is hereby expressly rejected by Buyer and is null and void.

***HIPAA REGULATIONS.** Where required by law, Buyer and Seller expressly agree to execute a Business Associate Agreement.