

FURNITURE, FIXTURES, AND EQUIPMENT PURCHASING CONSULTANT SERVICES

REQUEST FOR PROPOSALS (“RFP”)

ISSUE DATE: September 29, 2025

DUE DATE: **10:00 a.m. on October 23, 2025** (the “Submission Deadline”)

INSTRUCTIONS: Proposers are asked to submit six (6) paper copies and one (1) electronic copy (on a flash drive) of their Proposal. Submittals received by email, fax, or after the Submission Deadline will be rejected without further review or consideration.

SUBMIT TO: Houston First Corporation, Attn: Paula Whitten-Doolin, 701 Avenida de las Americas, Suite 200, Houston, TX 77010. Submittals must be delivered in a sealed envelope in person, via mail or courier. Please write “**RFP**” clearly on the outside of the sealed envelope.

CONTACT INFO: Any questions concerning the content or subject matter of this RFP must be sent by email to bids@HFC.com no later than **10:00 a.m. on October 15, 2025**. Questions will be answered collectively in the form of a Letter of Clarification. Questions may be combined or edited for clarity or length at the discretion of Houston First Corporation.

OVERVIEW

Houston First Corporation (“HFC”) requests Proposals from qualified and experienced firms (each a “Proposer” and, collectively “Proposers”) to provide professional services in connection with the construction of a new multi-use, multi-level convention center building containing approximately 800,000 square feet, improvements to Avenida de las Americas, and the transformation of the George R. Brown Convention Center (the “GRB”) in Houston, Texas.

HFC seeks to enhance the destination appeal of GRB and its environs by creating an engaging and vibrant convention district. An integral part of that initiative includes forward-thinking projects to expand or otherwise create opportunities for, and infrastructure for, entertainment venues and mixed-use developments, as well as improving facilities for vehicular and pedestrian traffic.

BACKGROUND

HFC is a local government corporation created by the City of Houston to facilitate economic growth through the promotion of the greater Houston area and the business of conventions, meetings, tourism, and the arts. The entity is responsible for the operation of the GRB, Avenida Houston, Partnership Tower, Wortham Theater Center, Jones Hall for the Performing Arts, Miller Outdoor Theatre, an array of outdoor venues/properties, and parking facilities that can accommodate nearly 10,000 vehicles. HFC also owns and operates both the Hilton-Americas Houston hotel and Partnership Tower.

The GRB is located on the east edge of downtown Houston, bounded by Rusk, Polk, US Highway 59, and Avenida de las Americas on the north, south, east and west, respectively. Adjacent to Discovery Green and the Hilton-Americas Houston hotel, the convention center is flanked by Partnership Tower and Minute Maid Park to the north and Toyota Center to the south.

SCOPE OF SERVICES

HFC is seeking an experienced Furniture, Fixtures, and Equipment Purchasing Consultant

("Consultant") to provide procurement services for the FF&E for the George R. Brown – South Building Project. The Convention Center is managed and operated by HFC and will follow current standards and build upon new progressive solutions that will support the operations of the South Building Project.

The selected FF&E Purchasing Consultant will be required to provide procurement services to procure, store and protect, deliver, and install the FF&E required for the South Building Project. The scope of services and the responsibilities of the Purchasing Agent include, but are not limited to, the items outlined below and all Exhibits and Attachments.

HFC has contracted with a Construction Manager at Risk (CMAR) as a construction partner for the project and prefers them to be brought on as early in the design process as possible to begin to inform the project schedule and budget. To meet the procurement requirements HFC is subject to, a Guaranteed Maximum Price (GMP) that must be established at the time the CMAR is contracted, necessitating an early package from the Design Team and Procurement Agent to facilitate this process.

HFC has a contracted with an Architect and comprehensive design Consultants that developing the design of the Project. The FF&E Procurement Consultant shall collaborate with the Architect and Consultant Teams where the FF&E Procurement Consultant can act as HFC's advisor in the quality and cost of products and materials being designed and specified by the Architect and Consultant Teams. The Procurement Agent will advise on more cost-effective options when appropriate.

A. Space Types within the Project Scope

Included is a summary of space types that will receive specifications for Furniture, Fixtures, and Equipment, but not limited to:

- a. Exhibition Hall(s).
- b. Multi-Purpose Hall(s).
- c. Conference / Meeting Room(s).
- d. Ballroom(s).
- e. Pre-Function Areas(s).
- f. General circulation gathering areas(s).
- g. Atrium circulation gathering areas(s).
- h. Facility and Operations Support Space(s).
- i. Hospitality Service Area(s).
- j. Retail Area(s).
- k. Public Plaza(s).
- l. Occupiable Green Roof(s) / Balconies.
- m. Back of House Area(s)

B. Design Phase

The FF&E Procurement Consultant shall provide Design Phase services including, but not limited to the activities and deliverables below:

- 1) All specifications must be coordinated with the Architect and Consultant Team for design intent, but quantity discrepancies will be the responsibility of the FF&E Procurement Consultant.
- 2) Finish grades on materials must be clearly defined in the proposal. It is the responsibility of the recommended best value by the FF&E Procurement Consultant to provide to the Architect and Consultant Team finish samples (finishes and fabrics) of all offerings within the grade or level identified for each item in the FF&E Package. The Architect and Consultant Team will make all FF&E finish selections to coordinate with

the building interior finishes. Finishes must be within the proposed and accepted cost of the package. Increased cost for material finish selections will not be accepted without written approval from HFC and Development Manager.

- 3) Consult with HFC, the Developer Manager and the Architect to confirm design intent and project scope. Facilitate an FF&E project kick-off meeting to review the project timeline including critical path items or tasks.
- 4) Review and evaluate initial budget information provided by HFC and/or the Developer Manager and be responsible for maintaining the FF&E project budget during this phase.
- 5) Provide pricing information on the various FF&E design options presented by the Architect and Consulting Team. Propose more cost-effective and/or durable alternates at different price points to materials and items proposed.
- 6) Work with the Architect and Consultant Team in the development of an FF&E matrix indicating what entity is purchasing (HFC Furnished/Installed, FF&E PC Furnished/Installed) and installing each item.
- 7) Provide pricing of initial options for the custom design and selection of furniture and fixtures and suggest more affordable and/or durable alternates at different price points to materials and items proposed.
- 8) Review Architect and Consultant Team's presentations, drawings, specifications, and initial material, casework, furniture, and select equipment. Advise on potential issues with sourcing, lead times, and cost.
- 9) Work with the Architect, the Consultant Team, and CMAR to produce an FF&E cost estimate. Propose alternate materials and items to bring cost into alignment with the GMP and Procurement budgets.
- 10) Provide early information as requested by the Architect and Consultant Team for long-lead items or other priorities.
- 11) Update pricing of options as they are finalized for the custom design and selection of furniture and fixtures and suggest more affordable and/or durable alternates at different price points to materials and items proposed.
- 12) Review the finish schedule and corresponding finish notebook to ensure they will be sufficient to convey the entire design intent through a competitive bidding and procurement process.
- 13) Review the design selections and specifications of all furnishings and fixtures including lighting, carpeting, fabrics, decorative accessories, etc. by the Architect and Consultant Team.
- 14) Ensure that custom designed furnishings, casework, etc. have been fully detailed as required for a competitive bidding and procurement process.
- 15) Collaborate with HFC, Developer Manager, Architect and Consultant Team on a total quantity of FF&E mock-ups for HFC review with the Developer Manager, Architect and Consultant Team. Provide location for such mock-ups and demonstrations to occur. On-Site FF&E mock-ups may include confirmation of the following:

- a. Interface of systems from wall, column, floor or power pole to the building faceplates for junction boxes.
 - b. Distribution of all telecommunications/power through the furniture including segregated pathways for power/telecommunication, and audio/video systems.
 - c. Access for telecommunication/power, including separation requirements for equipment, electrical receptacles, and faceplate locations.
 - d. Wire management for all excess cords and cables, both internal and external for the designated furniture or ancillary piece.
 - e. Mounting mechanism and tolerances.
 - f. Controls and mechanisms for operation and adjustment.
 - g. Material application.
 - h. Integrated standard accessories and/or features and hardware.
 - i. Comfort and expected durability.
- 16) Work with the Design Team and CMAR to produce a final CD FF&E cost estimate.
 - 17) Work with the Design Team and HFC to develop an allowance for attic stock.
 - 18) Work with the Design Team and HFC to develop warranty periods if items are to receive extended warranties above the basic manufacturer's warranty.

C. Bidding and Purchasing Phase

The FF&E Procurement Consultant shall provide Bidding and Purchasing Phase services including, but not limited to the activities and deliverables below:

- 1) All goods shall be new, unused, and delivered ready for use.
- 2) Follow purchasing policies and procedures approved in advance by HFC including, but not be limited to, soliciting multiple bids, conducting due diligence of bidders, and awarding contracts for purchase of goods/services. Review bids with HFC and Development Manager and advise on HFC approvals.
- 3) Verify the necessary quantities of FF&E based on the Architect and Consultant Team's drawings, specifications, and room type designation/layout.
- 4) Determine, in coordination with HFC and Developer Manager, the appropriate quantities / amounts of attic stock to include with each order.
- 5) Expedite purchase orders, payments, submittals, manufacturing, and shipping.
- 6) Prepare all payments to vendors. The payment to vendors will be packaged and issued to HFC for signature every other week or as agreed upon. Signed purchase orders and funding will be provided by HFC monthly.
- 7) Provide freight cost management.
- 8) Maintain and make use of an on-line purchasing tracking and payment system that details current real time on-line records of their procurement activities including, but not limited to: item number, vendor, P.O. number, order date, anticipated production and delivery date, invoice number, payment date, check number, check date, check clearance date. This system must have the ability for HFC to view data real-time via a secured web site.
- 9) Maintain and make use of an on-line system to track production and shipping status of

items ordered.

- 10) Establish an independent bank account to be funded by HFC and to be used to pay all FF&E vendors in a timely manner.
- 11) Work with vendors to ensure minimal deposits.
- 12) Verify the quality control capabilities of vendors to ensure products are manufactured to the correct specifications and quality.
- 13) Contract with storage facilities as necessary when storage is not provided by the vendor or production cannot be scheduled on an as-needed basis. Ensure proper insurance is maintained.
- 14) Contract with installers for FF&E, including freight forwarding, warehousing and installation. Work shall meet the CMAR's Construction Schedule.
- 15) Process payment of invoices for all FF&E purchases and provide accounting back-up as acceptable to HFC and Developer Manager.
- 16) Pay all applicable federal, state, and local taxes, whether direct or indirect, incurred in connection with the Contract.
- 17) Ensure that all contracted sub-providers of services have the necessary insurance coverage.
- 18) Cooperate and coordinate with the CMAR, the Architect, and Consultant Team in the review of bids, proposed substitutions and/or proposed modifications to the drawings or specifications.
- 19) Cooperate and coordinate with the CMAR, the Architect, and Consultant Team in the review of costs and work with them in the selection of alternate materials and designs to meet the overall budget.
- 20) Establish appropriate bonding capacity requirements for suppliers / installers as required.

D. Construction and Installation Phase

The FF&E Procurement Consultant shall provide Construction Phase services including, but not limited to the activities and deliverables below:

- 1) Participate in regular meetings with HFC, Developer Manager, the CMAR, and the Architect and Consultant Team to coordinate the delivery and installation of the FF&E materials and items. Ensure that FF&E items are delivered and installed on time to not delay the CMAR's construction schedule. The FF&E Consultant shall coordinate with HFC and understand what the standard hours of operation and standard building rules and regulations are. The FF&E consultant shall collaborate with the CMAR for assessing, evaluating, verifying, and confirming the conditions of the building, accessibility, site restrictions, parking, deliveries, loading dock, elevator, storage, installation and staging, hours of availability / accessibility of all the above and any other conditions associated with, and which may affect cost of delivery and installation.
- 2) Request, review, process, and have the Architect and Consultant Team take appropriate action on submittals such as shop drawings, product data, and samples of

the FF&E materials and items.

- 3) Develop complete installation packages prepared by installation crew for review by the CMAR, Architect, and Consultant Team. Advise of any modifications needed to the package. Provide all labor, materials, and equipment needed to receive, unload, stage and install furniture in accordance with the installation plans.
- 4) Prior to commencement of installation, the FF&E Procurement Consultant must sign off on the condition of the space and note any damage to the building with the CMAR and Development Manager. The FF&E Procurement Consultant is responsible for any damage to the building and finishes incurred by their crew. Protection to all doors, walls, corners, and flooring prior to starting installation.
- 5) The FF&E Procurement Consultant is responsible for receiving and installing all furniture, furnishings, and equipment indicated. Responsibilities include inspecting shipping damage, and annotating delivery date and condition of equipment on all purchase orders. Provide shipping/packing receipts to HFC and Development Manager. File any necessary freight claims.
- 6) The FF&E Procurement Consultant's installation team(s) to unpack furnishings, dispose and remove packaging materials offsite unless otherwise directed by construction contractor. All packaging materials need to be recycled if possible. Collaborate with CMAR with provided dumpsters where available. If no dumpsters are available, it is the responsibility of the installation teams to coordinate and provide dumpsters and recycling containers as necessary.
- 7) Coordinate delivery of electrical components, data cover plate requirements and connection of electrical and data systems with the CMAR. Collaborate with CMAR on ensuring successful connections where infrastructural connections are required.
- 8) Provide full-time representation on the project site to observe the progress and quality of the installation of materials and items to determine if the work is being performed in accordance with the design intent for the duration of the installation period. Apprise HFC and Developer Manager of the progress and quality of the work.
- 9) Review finishes, casework, art, and furnishings to determine that FF&E are installed in accordance with the design intent. Apprise HFC and Developer Manager of the progress and quality of the work.
- 10) Conduct a preliminary punch list walk-through with Construction Contractor to identify all FF&E discrepancies or damages and plan timely resolution. Have any replacements parts ready to be ordered with lead-time report within five (5) days of walk-through completion.
- 11) Provide one punch list for each phase of work to HFC and Developer Manager of all project FF&E scope.

E. Close Out Phase

The FF&E Procurement Consultant shall provide Close Out Phase services as described including, but not limited to the activities and deliverables below –

- 1) Provide final purchasing information, incorporating any major additions, deletions, or changes during the Construction Phase, organized into a searchable format electronically, provided and acceptable to HFC and Developer Manager.

- 2) Review close-out documents, operations and maintenance manuals with supplemental training (where applicable), full product warranties, lien waivers, including shop drawings and submittals, provided by the sub-contractors and vendors and organize into a searchable format electronically, provided and acceptable to HFC and Developer Manager.
- 3) Track and ensure that attic stock is delivered to HFC / George R. Brown Convention Center - South Building.
- 4) Provide a final document indicating how much of each material / item was received, who received it, and on what date.
- 5) Other documentation requested by HFC for closeout of all the FF&E vendor's contracts.
- 6) Ensure that all punch list items have been addressed and follow up with sub-contractors and vendors on any warranty items for the period of the warranty.

F. Deliverables

1. Design Phase (Design Development through Construction Documents):
 - a. Development of the FF&E Budget.
 - b. Establish the procurement strategy for vendor engagement.
 - c. Generate a schedule for critical milestones as they relate to procurement and installation of all FF&E.
 - d. Review design documents and advise on consultant coordination efforts that will affect pricing, sourcing, and lead times.
2. Bidding and Purchasing Phase:
 - a. Create all bidding documents.
 - b. Establish and obtain clarifications to Requests for Interpretation (RFI).
 - c. Compile a vendor bid summaries and provide bid-review/leveling reports, and establish a final bill of materials.
 - d. Develop and produce all Purchase Orders (PO) for HFC review and execution.
3. Construction Administration Phase:
 - a. Provide a full execution and installation plan.
 - b. Interim site observation reports.
 - c. Periodic Project status reports.
 - d. Final site observation report.
 - e. Coordination of select mock-ups for HFC / Design Team Review.

- f. Final Close-Out Documentation.

PROPOSAL FORMAT

To be considered responsive, Proposers are to include all of the following information in their Proposal:

- a. **Submittal Form:** Proposers are required to complete all fields of the Submittal Form provided below. The completed form must be signed by a person authorized to make representations on behalf of Proposer.
- b. **Profile:** Provide a brief profile of the Proposer, including its structure, services, and experience. Be sure to note any prior company names by which the Proposer has been known, the number of years the Proposer has been in business, and the location of the office from which the majority of services would be performed.
- c. **Experience:** Describe the last three convention center projects that (i) contained at least 500,000 square feet of space, (ii) cost at least \$300,000,000, and (iii) and are located in an urban setting for which the Proposer provided design service and the role the Proposer performed, the total cost of such projects (if completed), and the year in which such work was completed. If no convention center projects have been completed by Proposer, please provide references for projects that Proposer believes to be similar or qualify Proposer to perform the services described in this RFP for the Projects. Describe the Proposer's experience generally in designing facilities and improvements similar in scope in complexity to the projects described in this RFP, including any experience in central business district settings. For each example given or project referenced, describe the role played by the Key Personnel (as defined below) that participated.

Please include examples of project experience where Minority and Women Business Enterprise (MWBE) participation goals were established and met.

- d. **Team:** Introduce the key personnel who would be assigned to provide services for HFC, explain their respective functions, and include a brief summary of their qualifications. Identify the persons that will serve as the following (the "Key Personnel") with a summary of their qualifications and a copy of each of their resumes: the principal in charge and the person responsible for construction administration. Provide an organizational chart of the team, showing reporting structure of the people proposed to do the work.
- e. **Diversity:** Proposers should indicate how they intend to make good faith efforts to utilize diverse companies to meet the Diversity Goal set forth in this RFP. Proposers should note in their Proposal if they (or any probable subcontractors) are diversity participants certified by one or more of the identified certification agencies as defined in the [HFC Diversity Program](#). The Proposer shall be responsible for organizing and hosting a vendor open house at the George R. Brown Convention Center. The purpose of this event is to ensure that all interested and qualified local firms are informed about the Project and have an opportunity to engage with the procurement process.
- f. **Form of Agreement:** Proposers should indicate that they have reviewed and approved the form of agreement attached to this RFP (the "Services Agreement Form") as Exhibit "1". If the Proposer takes exception to any portion of the Services Agreement Form, then such Proposer must submit a list of such exceptions as part of its response to this RFP and an explanation of the changes that Proposer requests to the excepted provisions of the Services Agreement Form; provided, however, that HFC reserves the right to reject responses including substantive objections without further review or consideration.

- g. **Procurement Manual:** Proposers should provide written acceptance of the procurement manual attached to this RFP (“HFC Procurement Manual”) as Exhibit “2”.
- h. **Preliminary Project Schedule:** The proposed schedule for the various phases of your services is indicated below (“Preliminary Project Schedule”). Please state in your proposal that you will perform all services in accordance with this schedule and that your Stipulated Sum Fee Proposal is based on this schedule.

Schematic Design. October 1, 2024 – April 18, 2025

Design DevelopmentApril 21, 2025 – November 21, 2025

Construction Documents November 24 – July 24, 2026

Construction Administration.....May 1, 2025 – May 1, 2028

- i. **Sub-consultants and Subcontractors:** Please identify any sub-consultants or other subcontractors, if any, that will assist in performing services and provide a brief summary of their experience and qualifications. Note any sub-consultants or subcontractors certified as MWDBEs or HUBs under HFC Diversity Program.
- j. **Fees:** Your Fee Proposal for each scope of service indicated below should be provided in the following format:

Phase of Service	Staff-Hours	Fee	Est. Reimbs.
Design Phase			
Bidding and Purchasing Phase			
Construction and Installation Phase			
Close Out Phase			
Total			

Proposers are asked to ensure that their Proposals are clear and concise and limit the total page number to a maximum of 50 pages.

EVALUATION

Proposals timely received by HFC and conforming to the requirements of this RFP will be reviewed by an evaluation committee designated by HFC. From the pool of qualified Proposers, HFC presently may elect to interview one or more of the Proposers. The initial selection shall be made by HFC based on merit and qualifications, including experience in projects similar to the Project, the organizational and multi-disciplinary strengths of the firm, the Key Personnel and other relevant factors. When negotiations are completed, the recommendation of the evaluation committee will be submitted to HFC Board of Directors.

HFC expects to select the top-ranked Proposer on the basis of demonstrated competence and qualification, subject to negotiation of fair and reasonable compensation, which may include a not-to-exceed amount and/or prior-authorization requirement for services in excess of a mutually-agreed estimate of service hours. If HFC and such Proposer should fail to agree on such fair and reasonable compensation, then HFC reserves the right to and may conduct negotiations with the next most-qualified Proposer. If necessary, HFC will conduct negotiations with successive Proposers in descending order until a contract award can be made to a qualified Proposer whose price HFC believes is fair and reasonable.

This RFP does not commit HFC to award a contract or issue a purchase order. HFC will not pay any cost incurred in the preparation of a Proposal in response to this RFP. HFC reserves the right to request clarifications and/or additional information from some or all Proposers.

LETTERS OF CLARIFICATION

Responses to all material questions timely submitted by potential Proposers, as well as revisions incorporated into this RFP by HFC, if any, will be confirmed collectively in a letter posted online at <http://www.HFC.com/do-business> ("Letter of Clarification"). When issued, Letters of Clarification become part of this RFP and automatically supersede any previous specifications or provisions in conflict therewith. By submitting their Proposal, Proposers shall be deemed to have reviewed all Letters of Clarification on the website and incorporated them into their submittal. Verbal responses will not otherwise alter the specifications, terms and conditions as stated herein. It is the responsibility of Proposers to monitor the foregoing link and ensure they receive any such Letters of Clarification and incorporate them in their Proposal.

FORM OF AGREEMENT

By submitting a Proposal in response to this RFP, Proposer agrees, if selected, to enter into the Services Agreement Form, subject to resolution of any exceptions thereto outlined by Proposer in its Proposal and subject to reaching agreement with HFC on compensation for its services.

DIVERSITY PARTICIPATION

The Proposer selected will be required to use good-faith efforts to award subcontracts to diversity participants certified by any of the identified certification agencies as defined in the [HFC Diversity Program](#). HFC has established the following goal for these services: **25%** of the total value of the Agreement. Proposers should note if they are certified as a diversity participant in their submittal; however, such certification shall not lessen or otherwise alter the requirement to use good faith efforts to award subcontracts to diversity participants.

RESTRICTIONS ON COMMUNICATIONS

Throughout the selection process, commencing with the Issue Date, Proposers are directed not to communicate with any HFC or Development Manager employee, officer or director regarding their Proposal or any matter relating to this RFP, other than during the Pre-Submittal Conference, through bids@HFC.com or in response to a direct inquiry from HFC General Counsel Department. Proposers who disregard the Restrictions on Communications provision do so at their peril, as HFC shall have the right to reject any Proposal or subsequent proposal received due to violation of this provision.

CONFLICTS OF INTEREST

Proposers are advised that they have an affirmative obligation to disclose any affiliation or business relationship with an HFC employee, officer, or director creating a conflict of interest (or appearing to a reasonable person to potentially exist). Those who need the disclosure form may find it online at <https://www.ethics.state.tx.us/data/forms/conflict/CIQ.pdf>. By submitting their Proposal, Proposer represents to HFC that they have complied with the requirements of Chapter 176 of the Texas Local Government Code.

PROTEST PROCEDURES

Any protest relating to the form, terms and conditions, selection criteria, specifications, exhibits, or any other material RFP content must be filed by the actual or potential Proposer with the Purchasing Agent no later than five business days prior to the Submission Deadline. If the protest consists of a dispute regarding the Proposer recommended by the selection committee, or otherwise relates to the alleged misapplication of selection criteria, then the Purchasing Agent must receive the protest from an actual Proposer after the Submission Deadline, but at least three business days prior to consideration of a contract resulting from this RFP by HFC.

All protests must be made in writing and delivered to Houston First Corporation, Attn: Purchasing Agent, 701 Avenida de las Americas, Ste. 200, Houston, TX 77010. To be considered by HFC, protests must be timely received and include, at a minimum, all of the following information: (a) The name, address and contact information of the Proposer, with sufficient information to establish that a bona fide Proposer is the person or entity filing the protest; (b) The full title of the RFP; (c) Material grounds for the protest, including the provisions of the RFP and the applicable law or regulation that serves as the basis for the protest; (d) A statement of the specific relief requested by the Proposer; (e) Reference to and attachment of any pertinent documents or sources relied upon by the protestor that the protesting party wishes to have HFC consider; and (f) An affidavit attached to support any factual allegations stated in the submission.

PUBLIC INFORMATION

HFC is subject to the Texas Public Information Act ("TPIA"). Information submitted by Proposers is subject to release under the provisions of the TPIA set forth in Chapter 552 of the Texas Government Code. Each page where confidential or proprietary information appears must be labeled as such clearly and unambiguously. Proposers will be advised of any request for public information that implicates their materials and will have the opportunity to raise objections to disclosure with the Texas Attorney General at their expense.

RFP PACKETS

A complete copy of this RFP, including exhibits, necessary forms and other relevant information is available on-line at www.HFC.com/do-business. This RFP provides the information necessary to prepare and submit a Proposal for consideration and ranking by HFC.

WITHDRAWAL; ERROR

Proposals may be withdrawn due to errors or for any other reason by a written request received by bids@HFC.com prior to the Submission Deadline.

NO OBLIGATION

HFC reserves the right, should it deem necessary in HFC's best interest, to do any or all of the following: (1) waive any irregularities in any of the responses or any failure of a response to conform to the requirements set forth herein; (2) select candidates for oral interviews; (3) accept any submittal or portion of a submittal; (4) reject any or all Proposers submitting responses; or (5) cancel or make alterations to the entire process.

FURNITURE, FIXTURES, AND EQUIPMENT PURCHASING CONSULTANT SERVICES

SUBMITTAL FORM

Proposers to the foregoing Request for Proposals (“RFP”) are required to complete each field of this Submittal Form and are asked to include it as the first substantive page of their Proposal.

1. Contact Information

a. Company Name (the “Proposer”): _____

b. Address: _____

c. Contact Name/Title: _____

d. Phone: _____

e. Email: _____

f. Is the Proposer a certified diversity entity under the [HFC Diversity Program](#)? _____

2. Terms and Conditions

By completing this form and submitting a Proposal, the Proposer represents all of the following to Houston First Corporation:

a. Proposer has the necessary experience, knowledge, abilities, skills, and resources to perform the professional services required in connection with this RFP.

b. Proposer accepts the evaluation process set forth in the RFP and acknowledges that some subjective judgments must necessarily be made during the effectuation of such process.

c. Proposer accepts the Services Agreement Form set forth below in Exhibit “1” of the RFP, subject only to the following exceptions:

(if blank, it shall be assumed there are no exceptions; if there are exceptions, please provide revised text addressing Proposer’s exceptions; if additional space is needed to outline exceptions and provide revised text, please place the exceptions and text on an addendum to this form.)

d. Proposer has not, within the past five years, been party to a service contract terminated for cause, or received material, adverse findings from any governmental authority having regulatory oversight of services similar to those required under this RFP.

3. Acknowledgment

By signing below, Proposer represents and warrants that all of the foregoing is true, correct and may be relied upon by Houston First Corporation without exception:

_____ ("Proposer")
By:

Signature: _____

Date: _____

Name: _____

Title: _____

EXHIBIT "1"

Services Agreement Form

AGREEMENT FOR PURCHASING SERVICES

This Agreement for Purchasing Services (referred to herein as the "Agreement" and consisting of this document and all Exhibits attached hereto and/or incorporated herein by reference) is made and entered into as of _____, by and between:

Houston First Corporation (hereinafter called the "HFC"):

And the Purchaser:

The Project is: _____

References herein to the "Site" shall mean the location of the Project and any areas therein or adjacent thereto where the FF&E is to be installed, stored or staged. All terms and phrases defined in this Agreement shall, for all purposes of this Agreement, have the respective meanings as are specified herein. All words that have well known technical or construction industry meanings are used in this Agreement in accordance with such recognized meanings, unless defined differently herein or the context clearly indicates otherwise.

NOW THEREFORE, for and in consideration of the mutual covenants herein contained, HFC and Purchaser hereby agree as follows:

ARTICLE I SERVICES AND RELATED REQUIREMENTS

1. The Purchaser's "Services" shall consist of, and pursuant to this Agreement, the Purchaser shall provide, the following: (i) assisting HFC with the specification, procurement, purchasing and delivery of the furnishings, fixtures, equipment and related items designated in Exhibit A attached hereto (which items are referred to herein as "FF&E"), which FF&E is required in connection with certain improvements at the Project; and (ii) providing HFC with those other services, information, suggestions, evaluations, reports, budgets and assessments relating thereto as are listed in this Article I or identified elsewhere in this Agreement as part of Purchaser's Services. All of Purchaser's Services shall comply with HFC's standard purchasing requirements and procedures (which are set forth in Exhibit B hereto). The Purchaser's Services shall include the following:
 - (a) The Purchaser shall manage, supervise, administer and coordinate, on behalf of HFC, the specification, purchase and delivery of the FF&E, including soliciting bids and negotiating proposals for the same and thereafter entering into, in the name of HFC, such contracts or purchase orders as HFC may direct relating thereto.

(b) Purchaser shall meet with HFC and become familiar with HFC's requirements for the design and construction of the Project, shall visit the Site as requested by HFC and shall maintain close communication and coordination with HFC and with the architects, interior designers, contractors, project managers and other persons and entities involved with the Project (all of whom are collectively referred to herein as the "HFC's Consultants"), as necessary to facilitate the proper and timely performance of the Purchaser's Services hereunder, and as necessary to avoid delay or interference in the design or construction of the Project. If HFC has retained a Project Manager or other HFC's Consultants, such entities or persons are identified in Exhibit D. (HFC reserves the right to designate any other or different person or entity to act as the Project Manager or an HFC's Purchaser, in addition to or in replacement of any entity or person so designated in Exhibit D, in a later, written directive issued by HFC's Representative). The Project Manager shall have authority to observe, evaluate, administer, monitor and direct the Purchaser's Services, subject to limitations set forth in this Agreement, including those set forth in this paragraph below, and Purchaser shall provide the Project Manager with all information requested by the Project Manager in this regard and shall abide by all directions of the Project Manager, again subject to the limitations set forth in this Agreement, including those set forth in this paragraph below. Communications on the Project shall be directed to and include both HFC's Representative and the Project Manager. In all events, copies of all written communications with the Project Manager shall be copied by Purchaser directly to HFC, through HFC's Representative identified in this Agreement, and all significant issues with respect to the Project and/or this Agreement shall be communicated by Purchaser directly to HFC through HFC's Representative. Purchaser acknowledges that the Project Manager and HFC's Consultants are solely advisors to HFC and do not have authority to act generally as HFC's agents, or to act otherwise on behalf of HFC in connection with the Project, unless expressly so stated in this Agreement or later so indicated to the Purchaser by HFC in writing. Purchaser specifically understands and agrees that the Project Manager and HFC's Consultants do not have authority to authorize any Change in Scope, increase in the Purchaser's Fee, revision to the time in which to complete the Services under this Agreement, or any additional compensation or payment to the Purchaser (including but not limited to any compensation for Additional Services or Reimbursable Expenses or Change in Scope pursuant to this Agreement), without the prior and written approval of HFC through HFC's Representative.

(c) Purchaser shall be responsible to arrange, administer, manage and consolidate, where applicable, all shipments of FF&E so that they are delivered to the Site in accordance with the applicable schedules for construction of the Project as established by HFC. In this regard, Purchaser shall utilize a computerized system (conforming to such requirements as may be established by HFC) to provide HFC with updated reports that track the specification, ordering, sample approval, production, shipping, invoicing, delivery and payment status of each FF&E item, and to assist in the coordination of purchases and deliveries in order to confirm that FF&E items are delivered and received in accordance with the applicable schedules for construction of the Project. Any such computerized system utilized by Purchaser shall be capable of generating Comma Delimited ASCII Files on PC diskettes.

(d) If so directed by HFC, Purchaser shall solicit bids or negotiate proposals for, and thereafter enter into in the name of HFC, contracts or purchase orders for the installation of FF&E items. In such event, Purchaser shall also be responsible to oversee, coordinate and manage the efforts of the installation contractor and related supervisory personnel in

connection with the installation of the FF&E, and shall be responsible to provide to the selected installation contractor plans and detailed listings of FF&E items, based upon the budget approved by HFC, and shall be responsible to obtain and/or provide such other documentation as is necessary to facilitate the timely and proper installation of the FF&E. If so designated in Exhibit A hereto, these Services shall be provided by Purchaser as part of, and without increase in, the Fee established in Article III herein. If these Services are not so designated in Exhibit A, and HFC hereafter directs the Purchaser to provide assistance in connection with the installation of the FF&E as set forth in this subsection, Purchaser shall be entitled to compensation for the provision of such assistance as an Additional Service, pursuant to the applicable provisions of this Agreement.

(e) Purchaser shall make accessible to HFC and any lender designated by HFC all supporting bid documentation, cash flow projection statements or related information that may be requested by HFC or any such lender relating to all FF&E items procured under this Agreement, and/or to any Services provided by Purchaser hereunder.

(f) Purchaser shall meet and consult with HFC and such other persons and entities involved with the Project as HFC may direct, to discuss and evaluate the Services provided pursuant to this Agreement and any matters relating thereto, to discuss HFC's goals and desires for the design and construction of the Project, and to assist HFC in the development and delineation of the scope and nature of the FF&E required for the Project, and to define the requirements, concepts and ideas relating thereto. In this regard, Purchaser shall identify, discuss and evaluate alternatives for HFC to reduce the expected cost and/or time for production and delivery of desired FF&E items.

(g) Purchaser shall provide the budgets and reports required by Section 3 of this Article I below.

(h) Purchaser shall provide any other Services required by Exhibit A hereto and/or necessary to comply with the requirements and procedures set forth in Exhibit B hereto.

2. The Purchaser shall be deemed to be an independent contractor to HFC and shall have no relationship to HFC or the projects and activities of HFC other than that defined in this Agreement. Purchaser's authority to solicit bids for, negotiate proposals, and to enter into contracts or purchase orders in connection with any FF&E shall be limited to that specifically allowed by this Agreement, and in all such events any such contract or purchase orders shall be in the name of HFC and signed directly by HFC. Purchaser's authority under this Agreement is to act only as an advisor and consultant to HFC, and Purchaser shall not be the general agent of HFC and shall not have authority to act on behalf of HFC except and only to the extent specifically so provided in this Agreement. Purchaser has no authority to, and shall not, modify the terms of any contract or purchase orders for any FF&E or any other agreement between HFC and any other person or entity providing work for the Project or authorize any increase in compensation, extension of time, or change in the work provided by any such person or entity.
3. As part of the Services required pursuant to this Agreement and without increase in the Fee, Purchaser shall prepare the following budgets and reports for HFC's review and approval (which budgets and reports shall comply with the requirements and procedures set forth in Exhibit B hereto) and shall provide HFC with the following relating thereto:

(a) A Preliminary Budget for the FF&E, by category, based upon the proposed scope of the Project and discussions with HFC and HFC's Consultants, and updated budgets as

requested from time to time by HFC and HFC's Consultants. Each budget shall contain a description of the proposed FF&E together with a schedule of estimated costs, inclusive of fees, taxes and estimated freight, warehousing and installation charges. Installation and warehousing estimates shall be included as a vendor line item, where applicable.

(b) A detailed line item Control Budget showing all FF&E item costs and extra charges as they may apply based upon the Preliminary Budget approved by HFC and the plans and specifications prepared by HFC's Consultants for the Project. The Control Budget will be considered the final budget and purchase order line item costs must not exceed the applicable line item costs set forth in the Control Budget without the prior and written approval of HFC. All purchase orders generated will be compared to the Control Budget for accuracy.

(c) Purchaser acknowledges that the Control Budget as established by HFC represents a firm and fixed price for the FF&E costs for the Project and that it is of primary concern to HFC that the FF&E items be provided and installed within the Control Budget. Specifically, Purchaser understands that HFC will obtain periodic estimates of the cost of the FF&E items at such times as may be directed by HFC. In this regard, as may be requested by HFC or by any of HFC's Consultants, Purchaser shall provide clarification and answer questions with respect to any FF&E items that may be the subject of any such cost estimate. In connection with each such estimate, Purchaser shall be responsible to verify that any yardage, square footages or other dimensions or quantities used in the estimate with respect to the FF&E are accurate. If any such estimate or the lowest bona fide bid or a negotiated proposal for an FF&E item exceeds the applicable line item in the Control Budget, then the Purchaser shall, as and when requested by HFC, provide HFC with an analysis of the situation and specific recommendations for making changes to the FF&E items (including recommendations as to substitutions or alternative suppliers) so that the cost will fit within the Control Budget and shall meet with and assist HFC in evaluating the situation and the Purchaser's analysis. HFC may then require the Purchaser to make modifications to the specifications or other arrangements or requirements for the FF&E items to be procured by the Purchaser, and the Purchaser shall make such changes and provide such related assistance to HFC as may be required in connection therewith, as part of, and without increase in, the Fee established in Article III herein.

(d) Where deemed necessary by HFC, Purchaser shall prepare a critical path schedule, in conjunction with HFC's Consultants, detailing, but not limited to, the following elements relating to FF&E:

- (1) Conceptual design and presentation (if applicable)
- (2) Preliminary Budget
- (3) Preliminary plans and specifications
- (4) Control Budget (i.e. final budget)
- (5) Preliminary cost estimates
- (6) Final specification
- (7) Bidding
- (8) Sample and strike off approvals
- (9) Purchasing status
- (10) Manufacturing schedules
- (11) Delivery warehousing and installation

(e) In addition to the foregoing, Purchaser shall provide the following progress reports to

HFC, with a copy to HFC's Representative, on such time schedule as may be designated by HFC:

- (1) Commitment Report - which will reflect actual FF&E purchases against Control Budget.
 - (2) Delivery Status Report - which will detail actual and/or scheduled delivery dates by FF&E line item.
 - (3) Open Status Report - which will detail outstanding action items, issues and unplaced orders. Any conflicts to the schedule for the Project must be "red" flagged on this report and Purchaser shall be responsible for obtaining prompt resolution thereof.
 - (4) Sales and Use Tax Report - which will detail the amount of sales tax due to the applicable City, County, Province or State for each individual FF&E purchase and whether the tax has been remitted to such jurisdiction by the applicable FF&E vendor or Purchaser. In cases where a tax liability is outstanding and is to be paid by HFC, the exact amount and the entity to which remittance must be made (and the date when it is to be paid) is to be detailed by Purchaser for HFC on a per item basis so the tax liability can be paid by HFC on a timely basis.
 - (5) Accounts Payable Report - which will identify each applicable FF&E vendor, comparing payments to purchase orders including date of payment and invoice numbers.
4. As part of the Services required by this Agreement and without increase in the Fee, Purchaser will prepare for review and approval by HFC a Project Manual covering the process and procedures for procurement of the FF&E (and its installation if so required by Exhibit A to this Agreement or later directed by HFC as an Additional Service), including, but not limited to:
- (1) Flow of correspondence and lines of communication.
 - (2) Required coordination, communication and other interaction between Purchaser and HFC's Consultants relating to FF&E items.
 - (3) Change Orders and amendments to the Control Budget.
 - (4) Funding, deposit, pro forma requests and FF&E vendor invoice submittals, (including payment for materials stored off the Site).

Upon completion of the Project Manual, all of Purchaser's Services provided hereunder shall comply with the policies and procedures contained in the Project Manual. The Project Manual shall be prepared on such schedule and coordinated with HFC and HFC's Consultants for review and approval, in such time and fashion as not to delay the timely procurement, production and delivery of the FF&E and/or the timely completion of the design and construction of the Project.

5. As part of the Services required by this Agreement, Purchaser shall prepare and submit to HFC, with a copy to HFC's Representative, completed contracts or purchase orders for all FF&E (and for any installation work relating thereto if so required by Exhibit A to this Agreement or later directed by HFC as an Additional Service). All such contracts or purchase orders shall be on HFC's standard form (without modification unless approved by HFC in advance in writing), in the name of HFC, shall contain such terms and conditions as HFC may require, and shall comply with the requirements and procedures set forth in Exhibit B hereto. Purchaser shall use

and/or accept only such contract or purchase order forms as are directed by HFC and shall not agree to any modification or revision to any such form or its provisions without the prior and written approval of HFC. All such purchases shall be made by Purchaser in HFC's name, and shall be for the account of HFC in care of Purchaser. Purchaser shall be responsible to verify that all yardages, square footages and other dimensions or quantities set forth in each contract or purchase order are accurate. All FF&E will be consigned to HFC. Any and all cash discounts shall accrue to the benefit of HFC. Prior to issuing any contract or purchase orders, Purchaser shall inform HFC of any and all purchase orders that are irrevocable or have cancellation penalties. HFC shall sign each purchase order which it approves, it being understood that Purchaser is not required to and shall not execute any purchase order. The price reflected on all contracts or purchase orders shall be the actual cost with freight and sales tax separately stated. Pricing shall be F.O.B. mill or shipping point unless otherwise indicated. All contracts or purchase orders shall be prepared and delivered to HFC for execution not later than ten (10) business days prior to the date Purchaser plans to release the order to the applicable FF&E vendor (Order Date).

(a) If so directed by HFC, Purchaser shall solicit bids, negotiate proposals and/or issue contracts or purchase orders only with or to such vendors as HFC designates. If HFC does not designate a vendor, or if the specified FF&E (or a like substitute approved by HFC) cannot be procured from the specified vendor, Purchaser shall solicit bids or negotiate proposals for each FF&E item from at least three (3) qualified vendors, each of whom shall be subject to the prior approval of HFC. All vendors solicited by Purchaser shall satisfy the then current requirements of _____ Vendor Qualification Form, and all bids solicited by Purchaser shall be conducted and evaluated in conformance with the then current version of _____'s Competitive Bid Policy.

(b) In the event HFC requests Purchaser to procure installation work for any FF&E, the installation work will be contracted for by Purchaser with such installation contractor in the name, and on behalf, of HFC and on such terms approved by HFC. Any such contract shall provide, among other things, that the installation contractor will inspect all goods as they are delivered to the Site, that the supervisor of the installation contractor shall be at the Site at such times during the installation process as may be specified by HFC and as otherwise necessary to assure the proper, complete and timely installation of the FF&E, that the installation contractor shall be solely responsible to HFC for any damage to FF&E or to the other property at the Site which occurs during the installation process, and that the installation contractor shall oversee all the activities of the installation. In addition, each such contract shall require the installation contractor to provide an appropriate rough-in plan for the FF&E which identifies all rough-in and installation locations, specific placement parameters and dimensions, and related connections for the FF&E and the installation, assembly and connection of the FF&E to, and relationship with, any other equipment, systems or utilities to be connected to or used with the FF&E, in sufficient detail to allow those persons or entities responsible to assemble or install the FF&E, and any contractors responsible for any equipment, systems or utilities to which the FF&E will be connected, to perform their respective work in a safe, proper and complete manner. Each installation contractor shall be responsible for maintaining such worker's compensation and related insurance, general liability insurance and property insurance (protecting against loss or damage to the FF&E while in transit or storage or at the Site prior to installation of the FF&E) as may be directed by HFC, and prior to the commencement of any installation work by such installation contractor, Purchaser shall be responsible for securing from installation contractor and providing to HFC appropriate documentation demonstrating that such insurance has been procured.

6. Purchaser shall accumulate, audit for accuracy and review all vendor invoices for FF&E purchased pursuant to this Agreement. Based on Purchaser's observation, review and evaluation of such invoices, Purchaser shall recommend to HFC the amount that should be paid by HFC in connection therewith. All such recommendations and assessments shall be submitted to HFC, with a copy to HFC's Representative, in writing on such forms as HFC may direct. All deposit or check requests, electronic funds transfers and related invoicing and payment procedures shall comply with the requirements and procedures set forth in Exhibit B hereto. All inconsistencies relating to pricing or quantity of any FF&E items as invoiced by the FF&E vendor shall be reconciled by the Purchaser on behalf of HFC. Purchaser shall not recommend that HFC make payment to any FF&E vendor of any amounts that Purchaser believes should not be paid as a result of any failure by the applicable vendor to comply with the vendor's obligations with respect to the FF&E or for any loss, costs, expenses, or damages that have been caused to HFC as a result of the failure of the applicable vendor to perform the vendor's obligations. HFC shall pay directly that portion of any invoice that HFC finds acceptable and any disputed portion will be set aside until the basis for HFC's objection is removed. Final payment shall not be made on vendor invoices until Purchaser has submitted to HFC (in a form acceptable to HFC) proof of delivery of all FF&E covered by each such invoice. All vendor submittals are to be presented to HFC, with a copy to HFC's Representative, on a weekly basis. In cases where a cash discount is involved, invoices must be presented to HFC, with a copy to HFC's Representative, by Purchaser at least seven (7) days prior to such time as is required to afford HFC the opportunity to take advantage of the cash discount by timely payment. Submittals must include a reference to HFC's purchase order number, and show the purchase order price and quantity. Submittals should be capable of being provided on magnetic media. Submittals are to be organized by vendor with a recap sheet detailing each item to be paid, remaining balance and total payment to the vendor for the submittal. In addition, a total recap showing all payments to be made for the submittal shall be included as a cover sheet.
7. Purchaser, at Purchaser's sole cost and expense, shall carry and maintain the following insurance with companies authorized to do business in the State(s) or Province(s) where the Services will be performed and possessing a minimum A.M. Best rating of A-XII:
 - (a) Commercial General Liability Insurance covering bodily injury (including personal injury) and property damage with a combined single limit of not less than the following on a per occurrence/annual aggregate basis: (i) \$1,000,000 if the Project (in the sole opinion of HFC) involves only modest renovations such as cosmetic interior modifications, upgrading electrical or plumbing systems, façade work and the like; or (ii) \$3,000,000 if the Project (in the sole opinion of HFC) involves more than modest renovations; or (iii) \$5,000,000 if the Project involves structural work, e.g. involving foundations, footings and the like. All such insurance shall include contractual liability coverage covering the Purchaser's indemnity obligations under this Agreement, if available from the insurer and shall include products and completed operations coverage. The limits of insurance required by this Section may be satisfied through any combination of primary liability and umbrella liability policies, provided that if umbrella liability coverage is obtained, said limits must also be excess over any automobile liability and employers' liability policies required by this Agreement.
 - (b) Worker's Compensation insurance coverage satisfying Purchaser's obligations and liabilities under the worker's compensation laws of each applicable jurisdiction, including employer's liability insurance with limits of not less than \$1,000,000 for each accident, each occupational disease, each employee, and in the policy aggregate.

(c) Comprehensive Automobile Liability insurance covering bodily injury (including personal injury) and property damage arising out of the use of any vehicle in the performance of the Purchaser's Services under this Agreement with a combined single limit of not less than \$1,000,000 per accident combined. If Purchaser provides transportation for guests, then the combined single limit shall be not less than \$5,000,000.

(d) Property insurance on an "all risk" or "special risk" form covering all owned and non-owned tools, equipment, machinery and assets Purchaser may use in the performance of Purchaser's Services under this Agreement (whether owned, leased, rented or borrowed), including a waiver of subrogation from the insurer in favor of all Additional Insureds as defined in this Section 8 of this Article I below.

8. All policies of insurance required under the terms of Section 7 of this Article I above, except those described in Section 7 (b), shall name HFC, _____, the constituent partners of HFC, any HFCs associations having an interest in the property where the Project is located, and their respective partners, directors, officers, shareholders, employees, affiliates, agents, representatives and subsidiaries, as their interests may appear, as additional insureds ("Additional Insureds"), and shall contain a waiver of subrogation in favor of HFC and such other Additional Insureds. Certificates evidencing all insurance required by this Agreement shall be delivered to HFC prior to the commencement of Purchaser's Services and certificates of renewal or replacement insurance shall be delivered to HFC at least ten (10) days prior to the expiration of any applicable policy. All insurance policies required to be maintained by Purchaser under this Agreement shall provide for thirty (30) days' prior written notice to HFC of any termination, cancellation or material change in coverage or limits and shall be primary and not contributing with or supplemental to any insurance carried by any of the Additional Insureds as defined in this Section. All policies of insurance required under the terms of Section 7 above, shall be on an "occurrence" form covering the full period when all Services required under this Agreement are to be provided.
9. Purchaser acknowledges that neither HFC nor any of HFC's employees or agents has made any representation or warranty that the limits of liability specified to be carried by Purchaser pursuant to this Agreement are adequate to protect Purchaser. If Purchaser believes that any of such insurance coverage is inadequate, shall obtain, at Purchaser's cost and expense, such additional insurance coverage as Purchaser deems adequate. The limits of insurance required by Section 7 of this Article I may be provided by any combination of base policy coverage and associated excess coverage. Specifically in this regard, the coverage limits required for Commercial General Liability may be satisfied through any combination of primary liability and umbrella liability policies, provided that if umbrella liability coverage is obtained, such umbrella limits must also be excess over the automobile liability and employers' liability policies required by this Agreement.
10. Purchaser shall provide credit information on HFC to all requesting vendors. Vendor inquiries regarding payment status shall be managed by Purchaser in conformance with the requirements and procedures set forth in Exhibit B hereto. HFC will consider requests from vendors for advance deposits for custom FF&E only on an exception basis and only after reviewing the financial condition of the requesting vendor. All such requests must be made in conformance with the requirements and procedures set forth in Exhibit B hereto. Before any applicable purchase orders are placed, Purchaser must identify to HFC, with a copy to HFC's Representative, and obtain HFC's approval with respect to all vendors requiring advance deposits, the amount of the deposits, any C.O.D. or C.B.D. terms and the specific merchandise in question. Specific procedures shall be agreed to by HFC and Purchaser for commitments,

expenditures and reporting requests, relating to these special conditions and Purchaser shall comply with all procedures directed by HFC in this regard. Purchaser will secure and submit to HFC, with a copy to HFC's Representative, for review and approval appropriate credit information on any vendor when requested by HFC or when a vendor is proposed by Purchaser. Purchaser will advise HFC of any affiliation between Purchaser and any vendor in advance of any such vendor being proposed for the Project.

11. All proposals solicited or negotiated by Purchaser for any FF&E for the Project, all contracts or purchase orders entered into by Purchaser hereunder, and all other Services provided by Purchaser pursuant to this Agreement, shall adhere to all applicable Federal, State, Provincial and local laws, regulations and codes. The Purchaser represents that Purchaser is or will become familiar with and knowledgeable about all laws, codes, ordinances, rules, statutes and regulations applicable to the Services or the FF&E to be procured and/or installed pursuant to this Agreement, including but not limited to the current and applicable versions (as of the date when such work or Services are performed) of all laws, ordinances and regulations applicable to such work or Services of duly constituted authorities in force in the locality in which the work or Services are performed (and all safety and health regulations applicable to the work or Services [including the Federal Occupational Safety and Health Act, as amended, if applicable], and all applicable environmental, energy, conservation and/or green building regulations governing the delivery, handling or installation of the FF&E and related means, methods and procedures such as dust control, noise mitigation, waste disposal, access restrictions, etc.) (collectively the "Requirements"). If the Project is registered as a National Historic site on the U.S. National Historic Register or has otherwise been declared a historic property under applicable local, State, Provincial or Federal law, the Requirements shall include the applicable requirements and regulations relating to the construction and renovation of such historic structures. In addition, Purchaser acknowledges that the Project involves the design and construction of facilities that are "public accommodations" under the Americans with Disabilities Act, and that the Requirements include, and the Project must comply with, the current and applicable physical accessibility guidelines and the Uniform Federal Accessibility Standards as published in the Federal Register and applicable State or local laws (collectively, the "ADA"). Purchaser shall perform all Services hereunder in compliance with the Requirements. In addition, if part of the scope of the Services under this Agreement includes the procurement and management of FF&E installation work, then Purchaser shall monitor compliance and take reasonable action to require that the FF&E installation contractor complies with all of the terms of their contracts and all Requirements, and Purchaser shall advise HFC promptly of any circumstances in which the Purchaser believes the work performed by the FF&E installation contractor is not in conformance with the Requirements. In this regard, Purchaser shall become familiar with the work force employed by any contractors performing construction on the Project and shall coordinate and administer the delivery of the FF&E (and the installation thereof, if so required by Exhibit A to this Agreement or later directed by HFC as an Additional Service) so that there is no delay to the timely installation of the FF&E and/or the timely completion of the Project's construction based on union disagreements, jurisdictional disputes or other labor strife. With respect to each FF&E item, Purchaser shall obtain and provide copies of all certificates of flameproofing and/or compliance with UL standards or any other standards or requirements designated by HFC to Purchaser with respect to such FF&E prior to the placement of the applicable purchase orders, and any other certificates or approvals required by applicable law. Said certificates shall accompany all invoices for the applicable FF&E. Fabric flame certificates must be submitted in conformance with the requirements and procedures set forth in Exhibit B hereto. All permits, licenses, governmental approvals or fees relating to any FF&E items procured by Purchaser pursuant to this Agreement and/or any Services provided by Purchaser hereunder shall be furnished by the entities providing such FF&E items or Services. No such

costs shall be paid by HFC, unless agreed to in advance and in writing by HFC's Representative.

12. Subsequent to the execution of this Agreement, Purchaser and HFC shall agree upon the designation of Purchaser's Project Coordinator with respect to this Agreement, who shall be responsible on behalf of the Purchaser for coordinating, scheduling and supervising the Purchaser's performance of all of the Services required by this Agreement, and shall be the person responsible for communicating, on behalf of the Purchaser, with such other persons or entities involved with the Project as necessary to facilitate the timely and proper performance of the Purchaser's Services hereunder. In addition to the Project Coordinator, Purchaser shall assign such additional personnel (such as buyers, expeditors, etc.) as may be directed by HFC, or as may be necessary, to assure the timely and proper performance of the Services required of the Purchaser hereunder. No such person designated pursuant to this Section shall be replaced or discontinued without the prior written consent of HFC. In addition to the foregoing, if so directed by HFC, the Purchaser shall assign a full-time "Site Manager" who shall be present at the Site in order to coordinate and administer the Services required of the Purchaser hereunder. If so designated in Exhibit A hereto, the Site Manager shall be provided by Purchaser as part of, and without increase in, the Fee established in Article III herein. If not so designated in Exhibit A and HFC later directs the Purchaser to provide a Site Manager pursuant to this Section, Purchaser shall be entitled to compensation for the provision of such person as an Additional Service pursuant to the applicable provisions of this Agreement.

ARTICLE II GENERAL

1. HFC hereby designates _____, as HFC's representative authorized to act on HFC's behalf with respect to this Agreement (hereinafter the "HFC's Representative"). In the event Purchaser receives any instructions or approvals, either in writing or orally, from any property or facilities managers or other personnel of the property where the construction is being performed or from any persons other than HFC's Representative designated pursuant to this Section or any Project Manager designated pursuant to this Agreement (which Project Manager's authority shall be subject to the limitations set forth herein, including the limitations set forth in Section 1(b) of Article I above), then the Purchaser shall notify HFC's Representative of such instructions or approvals and shall not act upon such instructions or approvals until provided with directions from HFC's Representative. The Purchaser shall not accept requests for work or services or other directions in connection with the performance of the Services pursuant to this Agreement unless such request or direction is issued by HFC's Representative (or, subject to the limitations set forth herein, from any Project Manager designated pursuant to this Agreement). A new representative may be designated by HFC pursuant to this Section by providing the Purchaser with three (3) days' prior, written notice.
2. HFC shall provide Purchaser with sufficient copies of all plans, specifications and any other information in HFC's possession or control, together with all amendments thereto, as are reasonably necessary for the solicitation of bids or negotiation of proposals for FF&E items or as may otherwise be necessary for the proper performance of Purchaser's Services hereunder. All other copies of such documents required by Purchaser shall be provided at Purchaser's expense. Purchaser shall review all documentation, specifications, blueprints and plans for completeness and accuracy and shall identify to HFC any discrepancies and/or errors which Purchaser discovers.
3. After Purchaser has submitted a purchase order to any FF&E vendor, should HFC initiate a

change to such purchase order in writing, Purchaser will provide such assistance to HFC as may be required to negotiate, review and prepare an appropriate Change Order to the purchase order. All such Change Orders shall be in writing and signed by HFC and the applicable FF&E vendor, shall contain such terms and conditions and shall be on such form as HFC may direct, and shall conform to the requirements and procedures set forth in Exhibit B hereto.

4. HFC shall provide at its expense a suitable space at the Site for delivery and storage of FF&E. If warehousing of any FF&E is needed prior to installation, the same shall be procured by Purchaser with HFC's approval, in the name of and on behalf of HFC, at a location in close proximity to the Site, pursuant to such terms and conditions as HFC may direct. Purchaser shall instruct any such warehouse to inspect all FF&E upon receipt at the warehouse for visible or evident damage. The warehouse will also be responsible for all associated activities related to the filing of damaged freight claims. It shall be the responsibility of the installation contractor to inspect all FF&E, whether delivered directly to the Site or from the warehouse, and the installation contractor shall promptly notify Purchaser of any non-conforming or defective FF&E. Purchaser shall be responsible for giving timely notice of non-conforming or defective FF&E to the applicable vendor in order to protect the rights of HFC in obtaining timely replacements or repairs to meet the delivery schedule. Purchaser shall arrange for delivery of warehoused FF&E to the Site promptly upon request by HFC.
5. All purchase orders for FF&E procured pursuant to this Agreement shall include shipping terms of F.O.B. delivered (exclusive of freight) with risk of loss remaining with manufacturer until delivery to the Site is made. If such shipping terms are not attainable, then the purchase order may provide, if so approved by HFC, that title to and risk of loss for FF&E shall pass to HFC when shipped from manufacturer's facility, but title to and risk of loss for non-conforming goods shall remain with the applicable FF&E vendor. Purchaser shall be responsible for filing freight claims associated with the repair and/or replacement of all goods procured for HFC and damaged or lost while in transit to the Site or any intermediate point and shall procure property insurance, at full replacement cost value, covering loss or damage to all FF&E that Purchaser arranges to be stored in any warehouse or other location.
6. All contracts for the installation of any FF&E procured pursuant to this Agreement shall provide that the installation contractor shall keep the Site and surrounding area free from accumulation of waste materials and rubbish caused by the operation of the FF&E installation contractor, and that the FF&E installation contractor shall be responsible for removal from the Site of all trash and for crating all materials associated with the installation of the FF&E and shall broom clean all areas and remove marks, stains, fingerprints and other soil or dirt, remove spots, and other markings, and generally provide HFC with fully clean FF&E upon completion of the installation of the FF&E. All waste, rubbish, surplus materials and other items generated in connection with the delivery or installation of any FF&E provided by or through Purchaser pursuant to this Agreement (including but not limited to any paints, glues, oils or hazardous substances) shall be disposed of in such manner and in accordance with such procedures, certifications and approvals as required by applicable law.
7. All drawings, specifications and other documents prepared by the Purchaser, HFC, HFC's Consultants, any FF&E vendor, or any architect, interior designer or other design or engineering consultant or other person or entity involved with the Project, or relating to the FF&E, the Purchaser's Services or the Project (collectively "Documents"), are the property of HFC, and shall not be used by any person other than HFC on projects other than the Project unless expressly authorized in writing by HFC. All copies of Documents shall be returned or suitably accounted for to HFC on request, or upon completion of the Purchaser's Services. All

Documents and any copies thereof furnished to the Purchaser, are for use solely with respect to this Project. They are not to be used by the Purchaser on other projects without the specific written consent of HFC. Submittal or distribution to meet official regulatory requirements or for other purposes in connection with this Project shall not be construed to be a publication or derogation of HFC's rights with respect to any Documents.

8. As used herein the term "Proprietary Information" shall mean all information which the Purchaser acquires (whether directly from HFC or through the performance of Purchaser's Services on the Project) concerning the present and future plans of HFC, the operations of HFC's business, or the use of the Project or the Project's design, construction, features, appearance, marketing, layout or décor (including any plans, specifications, drawings or other Documents relating to the FF&E, the Purchaser's Services or the Project and any Documents created pursuant to this Agreement). The Purchaser represents to HFC that Purchaser has and employs policies and procedures, including but not limited to notices to Purchaser's employees, subcontractors and their respective employees, to protect Proprietary Information and to prevent the unauthorized publication and disclosure of Proprietary Information. The Purchaser agrees that HFC's Proprietary Information shall be subject to such policies and procedures. Specifically, and in addition, the Purchaser agrees that Purchaser will not disclose any Proprietary Information to any person, either internally or externally, (except as directly necessary for the performance of Purchaser's Services) without the prior and written consent of HFC, and will not use, copy or distribute any Proprietary Information (or any Document containing Proprietary Information) except to the extent directly necessary for the performance of the Purchaser's Services and/or as necessary to comply with the Purchaser's obligations under applicable law (including but not limited to reporting requirements to governmental agencies with jurisdiction over the Services or the Purchaser). The Purchaser agrees, upon completion of the Purchaser's Services, to return to HFC or destroy all documents containing Proprietary Information. Further, Purchaser acknowledges and agrees that all public relations matters arising out of or in connection with the Project shall be the responsibility of and be handled by HFC. The Purchaser shall not make any announcement or publication, either internal or external, with respect to or in connection with the Project, (including but not limited to any public announcement, website mention, advertising, publicity or comment about the Project or Purchaser's participation in the Project) without HFC's prior and written approval, except as directly necessary for the performance of the Purchaser's Services or as otherwise permitted above. Purchaser shall not permit any of its employees or any of its subcontractors or their employees to publicize, email, distribute, or otherwise post photographs of the Site, or any other Proprietary Information, on the internet, on social media sites (including but not limited to Facebook, Twitter, Pinterest, etc.), or in any other public or private forum.
9. In the event that the Purchaser is unable to perform any Service requested or required by HFC pursuant to this Agreement directly by utilization of the Purchaser's own employees, and the Purchaser desires to hire another separate person or entity to perform such Service as a subcontractor to the Purchaser, the Purchaser shall first secure the written approval of HFC to the hiring of such other person or entity. The approval of HFC to such retention shall not relieve, affect or otherwise modify Purchaser's obligations under this Agreement. Purchaser acknowledges and agrees that is shall be solely and fully responsible for the acts or omissions of any person or entity hired as a subcontractor by Purchaser to perform any Services in connection with this Agreement, and for the professional quality, technical accuracy and coordination of all reports, recommendations, determinations or other assessments provided by Purchaser or any subcontractor retained by Purchaser, pursuant to this Agreement.

ARTICLE III

COMPENSATION

1. Except and only for Reimbursable Expenses and any Additional Services, both as defined herein, HFC shall pay Purchaser as full and complete compensation for all Services required by this Agreement (including any Services performed by any subcontractors retained by Purchaser pursuant to the provisions of Article II, Section 9 above) \$_____ (Dollars) (the "Fee"). The Fee shall be payable on the _____ day of each month in the amount of \$_____ for _____ consecutive months commencing on _____, with a final payment of \$_____ within thirty (30) days after final and satisfactory completion of all of the Purchaser's Services under this Agreement and submission of all documentation required by this Agreement. Final payment on Purchaser's invoices shall not be made until Purchaser has submitted to HFC (in a form acceptable to HFC) proof of delivery of all FF&E covered by each such invoice. Purchaser shall submit invoices to HFC (with a copy to HFC's Representative) on the 1st of each month for payment on the 1st of the following month, reflecting the amount of the Fee earned during the month covered by the invoice and all Reimbursable Expenses or Additional Services for which Purchaser is entitled to payment pursuant to the provisions of this Agreement.
2. As used in this Agreement, an "Additional Service" shall mean any task required of Purchaser because of a Change in Scope as defined below. Except and only for such Additional Services, all work required of Purchaser pursuant to this Agreement shall be provided by Purchaser as part of, and without increase in, the Fee. No work required because of the negligence, breach of contract, error or omission of Purchaser shall be considered an Additional Service or a Change in Scope, regardless of the cost or nature of such work. As used in this Agreement, a Change in Scope is a change to the Services required of Purchaser pursuant to this Agreement that materially expands, enlarges or diminishes the character, quantity or cost of the Services to be performed by the Purchaser on the Project. If HFC requests any change that the Purchaser believes constitutes a Change in Scope, the Purchaser shall furnish HFC (with a copy to HFC's Representative) with written notice of such fact promptly after the change is requested by HFC (and before any work relating thereto is commenced by the Purchaser). The Purchaser shall initiate no work on any Change in Scope (and shall not be entitled to any additional compensation based on any alleged Change in Scope) unless the Purchaser has first given notice as required by this Section and has received written authorization from HFC to proceed with such change. If the Purchaser gives written notice that Purchaser believes a Change in Scope has occurred and HFC disagrees, the Purchaser shall, if so directed by HFC and/or HFC's Representative, nonetheless proceed promptly and diligently to perform the activities at issue, and the Purchaser's claim will be determined thereafter pursuant to the applicable provisions of this Agreement. The Purchaser shall be compensated for any Additional Services performed by Purchaser, in such rates or amounts, as applicable, as then prevailing for the Purchaser's other customers receiving similar services unless HFC (through HFC's Representative) and Purchaser negotiate and agree to different rates or amounts in writing prior to proceeding with the Additional Services. Additional Services and Changes in Scope may be initiated, authorized and approved only in writing and only by HFC's Representative. No other person or entity shall have authority to initiate, request or approve any Change in Scope or Additional Services.
3. Payment terms for all FF&E supplier invoices shall be net thirty (30) days from the date of shipment. All payments for FF&E shall be due and payable by HFC per the terms of the applicable FF&E vendor's invoice or upon proof of delivery, whichever is later (except in instances of COD terms). HFC's payment obligations shall be conditioned upon prompt receipt of invoices, predetermined payment schedules, deposits or proof of delivery. Purchaser shall submit to HFC (in a form acceptable to HFC) proof of delivery of all FF&E prior to payment.

4. Mock up rooms will be provided and arranged for by Purchaser as part of the Fee unless otherwise agreed to by HFC in writing. Any expenses charged by any FF&E vendor, to the extent approved by HFC, shall be submitted to HFC for direct payment to the applicable FF&E vendor.
5. In addition to the Fee and compensation for any Additional Services performed by Purchaser, the following Reimbursable Expenses shall be paid to Purchaser, at the actual cost incurred by Purchaser, without markup, and subject to such requirements, procedures and limitations as may be set forth in HFC's current Purchaser Fee Billing and Reimbursable Guidelines: (a) reasonable costs of travel and subsistence incurred by Purchaser's representatives, while on trips approved by HFC in the performance of Purchaser's Services under this Agreement outside a thirty (30) mile radius of the corporate headquarters of Purchaser; (b) reasonable costs of shipping and delivery, long distance telephone and facsimile transmissions; or (c) reasonable costs of prints or reproductions, excluding those which may be produced for Purchaser's own use, which may be needed in connection with the solicitation of bids or negotiation of proposals. HFC shall not be required to pay (and Purchaser shall not charge to or be entitled to reimbursement for) any Reimbursable Expenses to the extent that the charge for such expense is in excess of the prevailing market rate for such item or service. Reimbursable Expenses in excess of Five Hundred Dollars (\$500.00) per item (or per group of similar or related items) which are not approved by HFC prior to being incurred will not be reimbursed. Total Reimbursable Expenses pursuant to this Agreement shall not exceed (and Purchaser shall not be entitled to reimbursement for any amounts greater than) _____ Dollars (\$_____), except and only to the extent approved by HFC in advance and in writing. No payment by HFC of any Reimbursable Expenses shall constitute a waiver by HFC of HFC's right to refuse to reimburse any other similar or dissimilar expenses which were incurred without HFC's approval or which are otherwise not reimbursable hereunder, nor of HFC's right to demand repayment from Purchaser for any payment made by HFC to Purchaser which is not reimbursable hereunder.
6. The Purchaser shall not be entitled to payment under this Agreement unless, at the time payment is requested, the Purchaser provides HFC with a waiver on HFC's standard form without modification (unless approved by HFC in advance and in writing), waiving any lien rights against the Project belonging to the Purchaser (and any vendors or subcontractors retained by Purchaser) with respect to the Services for which payment is requested, effective and conditional upon receipt of such payment from HFC, and with a partial, unconditional lien waiver (on HFC's standard lien waiver form without modification [unless approved by HFC in advance and in writing]) executed by Purchaser and any vendors or subcontractors retained by Purchaser, reflecting receipt of payment for all Services performed that have actually been paid for by HFC pursuant to any previous invoice and for which the Purchaser should have paid such vendors or subcontractors pursuant to this Agreement prior to the submission of the invoice at issue. HFC shall not be required to process an invoice submitted by the Purchaser until all information required by this Agreement with respect to any such invoice has been submitted. Final payment shall not be made to the Purchaser unless final conditional lien waivers (on HFC's standard lien waiver forms without modification [unless approved by HFC in advance and in writing]) are submitted by the Purchaser to HFC releasing and waiving all lien rights against the Project belonging to the Purchaser and any vendors or subcontractors retained by Purchaser resulting from or arising out of this Agreement and the Services performed pursuant to this Agreement. Purchaser shall, within ten (10) days after receipt of final payment from HFC, submit final and unconditional lien waivers executed by Purchaser and each vendor and subcontractor retained by Purchaser.

7. The Purchaser shall pay any vendors or subcontractors retained by Purchaser within seven (7) days of the receipt of payment from HFC, out of the amount paid to the Purchaser pursuant to the Purchaser's invoice, the full amount paid to the Purchaser pursuant to such invoice for Services performed by such vendor or subcontractor. In the event that any vendor or subcontractor retained by Purchaser files a mechanic's lien or claim for lien against the Project (and provided HFC has paid Purchaser as required by this Agreement for the Services that are the subject of such lien or claim), Purchaser shall cause such lien or claim for lien to be formally released, bonded against or satisfied, and shall reimburse HFC for all costs and expenses, including but not limited to attorneys' fees and bonding and title indemnity expenses, incurred in contesting, discharging, releasing or satisfying such lien or claim for lien or defending or otherwise participating in such suit. Upon the settlement of such claim, any excess monies held by HFC from such security shall be paid to Purchaser. Purchaser shall similarly indemnify and protect and defend HFC, all Additional Insureds (defined in Section 8 of Article I above), and agents and employees of any of them, in respect of any lien or claim for lien in favor of any vendor or subcontractor retained by Purchaser or any other person or entity claiming by, through, or under Purchaser, that may appear after final payment has been made by HFC to Purchaser in the amounts required by this Agreement. The Purchaser shall have the right to contest any lien or claim covered by this Section, provided the Purchaser has bonded over such lien or claim and the Purchaser has agreed in writing to fully indemnify and defend HFC, all Additional Insureds (defined in Section 8 of Article I above), and agents and employees of any of them, with respect to such lien or claim.
8. Purchaser agrees that all discounts or credits, volume rebate payments, commissions or other incentives to which Purchaser may be entitled by virtue of the procurement, specification or designation of any FF&E shall accrue and belong to HFC and shall be promptly paid by Purchaser to HFC. Purchaser shall not procure any FF&E that is subject to any such discount, credit, rebate, commission or other incentive without prior disclosure to and approval of HFC. All such discounts, commissions, rebates or other incentives shall accrue to HFC by way of applying them to the vendor price in order to arrive at a net price for the FF&E. Purchaser represents and warrants that Purchaser receives no remuneration of any kind under any agreement between Purchaser and any vendor or supplier proposed to HFC for the referral of HFC to any such supplier or vendor. Purchaser further represents that: (i) Purchaser is the only person or entity with an interest in this Agreement and that this Agreement is entered into by Purchaser without any connection with any other person or entity (other than any vendors or subcontractors retained by Purchaser in connection with the Services); (ii) this Agreement has been obtained, negotiated and entered into by Purchaser without directly or indirectly influencing or attempting to influence any employee or agent of HFC (other than as set forth in the written information, proposals and materials submitted by Purchaser in connection with the negotiation of this Agreement) and based solely on Purchaser's own investigation and research and not in reliance upon any statement, representation or promise of any employee, officer, agent or representative of HFC; and (iii) Purchaser has complied with all applicable anti-corruption laws and did not (and will not hereafter) authorize, offer, promise or give anything of value, directly or indirectly through an intermediary, to any person employed by or acting on behalf of a government, government-controlled entity or public international organization; any political party, party official or candidate; any individual who holds or performs the duties of an appointment, office or position created by custom or convention; or any individual who holds him/herself out to be the authorized intermediary of any of the foregoing in order to improperly influence. Purchaser agrees (and shall cause any vendors or subcontractors retained by Purchaser and all FF&E vendors and suppliers to agree) to keep adequate records and books of account as necessary to allow HFC and/or HFC's Consultants to verify the validity,

correctness and legitimacy of all amounts charged and/or paid pursuant to this Agreement, and to confirm Purchaser's compliance with the requirements of this Section. The system adopted shall be such as is satisfactory to HFC. HFC and HFC's Consultants shall have the right to audit the books and records of the Purchaser and any vendors or subcontractors retained by Purchaser and all FF&E vendors and suppliers (and to interview the employees such vendors, subcontractors and suppliers) for the purposes of confirming Purchaser's compliance with these requirements. HFC and HFC's Consultants shall be afforded access at all reasonable times to the correspondence, instructions, receipts, vouchers, memoranda, subcontracts, consulting agreements, submittals and related approvals, purchase orders and records of the Purchaser and any vendors or subcontractors retained by Purchaser and all FF&E vendors and suppliers pursuant to this Agreement, relating to all Services under this Agreement and all FF&E procured by this Agreement, as well as to any Changes in Scope, Additional Services or Reimbursable Expenses under this Agreement. Purchaser (and any vendors and subcontractors retained by Purchaser and all FF&E vendors and suppliers) shall make such records available to HFC and HFC's Consultants for review at all reasonable times, upon reasonable notice both for the purpose of confirming Purchaser's compliance with the provisions of this Section and for the purpose of verifying actual expenses incurred by Purchaser (and the reasonableness thereof) related to any amounts claimed by Purchaser on such basis, including any amounts sought in connection with a Change in Scope pursuant to this Agreement. In regard to the foregoing and generally, the Purchaser hereby authorizes HFC's Representative and HFC's Consultants, and shall require any vendors and subcontractors retained by Purchaser and all FF&E vendors and suppliers to authorize HFC's Representative and HFC's Consultants, to check directly with such vendors, subcontractors and suppliers, as to the charges for the FF&E procured pursuant to this Agreement and any services or other items charged, incurred and/or billed pursuant to this Agreement and the balances due on such charges and to obtain sworn statements and waivers of lien from any such vendors, subcontractors and suppliers. All records required by this Section shall be preserved for a period of five (5) years after final payment of the Purchaser on the Project, or for such longer period as may be required by law.

ARTICLE IV TERMINATION / SUSPENSION

1. HFC may terminate this Agreement without cause, upon seven (7) days' written notice to the Purchaser. In the event HFC terminates this Agreement without cause, the Purchaser shall be entitled to compensation, pursuant to the terms and subject to the limitations of this Agreement, only for the amount of the Fee earned as of the date of termination plus compensation for any Additional Services then performed and any Reimbursable Expenses then incurred, both pursuant to the terms, and subject to the limitations, of this Agreement. HFC will not be responsible, however, to reimburse the Purchaser for any continuing contractual commitments to any subcontractors retained by Purchaser pursuant to the provisions of Article II, Section 9 above, or penalties or damages for canceling such contractual commitments, and no compensation shall be allowed to Purchaser or its subcontractors for anticipated or lost profit, unperformed services or intangibles.
2. HFC may terminate this Agreement with cause as follows. A termination by HFC for cause must specify the cause involved and will be effective seven (7) days after receipt of HFC's notice of intent to terminate unless it is not reasonably possible to correct the cited cause within such seven (7) day period, in which event the termination will not be effective if the Purchaser has commenced the correction of the cited cause within the seven (7) day period and thereafter continues to diligently pursue such correction to completion within a reasonable time period after receipt of HFC's notice of intent to terminate (which time period shall not exceed fourteen

(14) days from HFC's initial notice of termination), provided, however, that if the Purchaser fails to commence and/or continue and/or complete the correction of the cited cause within such time periods, then the termination shall become effective immediately upon such failure. As used herein the terms "with cause" or "for cause" shall mean any action taken by HFC because of the negligence, errors, omissions or breach of contract of the Purchaser and any other persons or entities for whom the Purchaser may be liable pursuant to the terms of this Agreement. In addition and without limitation to the foregoing, "cause" shall include any action taken by HFC because of: (1) Purchaser's failure to comply in a full, timely and proper manner with the requirements of this Agreement; or (2) any circumstance in which the Purchaser (i) is insolvent or bankrupt, (ii) is otherwise unable to pay debts as they become due, (iii) has made an assignment for the benefit of creditors or has petitioned or applied to any tribunal for the appointment of a custodian, receiver or trustee for Purchaser or a substantial part of Purchaser's assets; (iv) shall have any such petition or application referred to in subsection (iii) above filed or any such proceeding commenced against Purchaser in which an order for relief is entered or adjudication or appointment is made and which remains undismissed for a period of thirty (30) days or more; or (v) by any act or omission shall indicate Purchaser's consent to, approval of, or acquiescence in any petition, application, or proceeding in bankruptcy, or order for relief, or the appointment of a custodian, receiver, or trustee for all or any substantial part of Purchaser's properties; or (vi) shall suffer any such custodianship, receivership or trusteeship to continue undischarged for a period of thirty (30) days or more. In the event HFC terminates this Agreement for cause, the Purchaser shall not be entitled to any further compensation and shall be liable to HFC for (and HFC may deduct from any payments otherwise due to Purchaser hereunder) all costs and damages incurred by HFC as a result of the Purchaser's acts, omissions, fault, negligence, errors, or breach of contract (including attorneys' fees and court costs). A termination by HFC for cause which is later determined to be wrongful shall be considered a termination without cause pursuant to Section 1 of this Article IV above.

3. This Agreement may be terminated by the Purchaser only if HFC fails to make payment to the Purchaser in such amounts as are required by this Agreement, within thirty (30) days after such payment is due pursuant to the provisions of this Agreement, for Services actually and properly performed by the Purchaser. In such event, the Purchaser may, upon seven (7) days' written notice to HFC, terminate the performance of Services under this Agreement. Unless such payment is thereafter received by the Purchaser within such seven (7) day period, the termination shall take effect without further notice to HFC. In the event the Purchaser properly terminates this Agreement, the Purchaser shall be entitled to compensation, pursuant to the terms and subject to the limitations of this Agreement, only for the amount of the Fee earned as of the date of termination plus compensation for any Additional Services then performed and any Reimbursable Expenses then incurred, both pursuant to the terms, and subject to the limitations, of this Agreement. In the event of a valid termination of Services pursuant to this Section, the Purchaser shall have no liability to HFC for delay or damage caused to HFC because of such termination. HFC will not be responsible to reimburse the Purchaser for any continuing contractual commitments to any vendors or subcontractors retained by Purchaser pursuant to the provisions of Article II, Section 9 above or penalties or damages for canceling such contractual commitments, and no compensation shall be allowed to Purchaser or any such vendors or subcontractors for anticipated or lost profit, unperformed services or intangibles.
4. HFC may suspend this Agreement and all work by the Purchaser with or without cause, upon three (3) days' written notice (signed by HFC's Representative) to the Purchaser. If, through no fault of the Purchaser, the Purchaser's Services are suspended for more than ten (10) consecutive days, then the Purchaser shall be compensated in the amounts required by Article III for Services properly performed by the Purchaser up to and including the date when the

suspension commenced (all as measured pursuant to the applicable provisions of this Agreement and subject to the limitations set forth herein). Such compensation shall be due and payable to the Purchaser thirty (30) days after the expiration of the ten (10) day suspension period. If the Purchaser's Services are suspended for more than ninety (90) consecutive days and are thereafter resumed subsequent to any such suspension for more than ninety (90) consecutive days, the Purchaser's compensation shall be adjusted, as appropriate, pursuant to the negotiation and agreement of the Purchaser and HFC.

5. The Purchaser's sole and exclusive rights in the event of termination or suspension shall be those set forth in this Article IV and the Purchaser shall be entitled to no additional compensation and shall have no additional or other rights of any kind, type or nature under or arising out of this Agreement by virtue of such termination or suspension. All representations made by Purchaser herein, together with any and all causes of action and other rights and remedies which HFC may have as a result of breach of any term, covenant or condition hereof, together with all obligations of Purchaser hereunder, shall survive any expiration or termination of Purchaser's rights under this Agreement. All rights and remedies of HFC hereunder are cumulative and the exercise by HFC of one or more of such rights and remedies shall not preclude the exercise by HFC of any other rights or remedies whether concurrently or sequentially. No termination by HFC under this Article IV (whether with or without cause) shall constitute a waiver or release of any claims by HFC relating to events, circumstances or breaches arising prior to such termination, nor shall such termination affect any of the other rights or remedies of HFC granted by this Agreement or by law, or relieve the Purchaser from any consequences or liabilities arising from the Purchaser's acts, omissions or deficiencies in connection with the Purchaser's Services or this Agreement.

ARTICLE V INDEMNIFICATION

1. The Purchaser agrees to indemnify and hold HFC, all Additional Insureds (defined in Section 8 of Article I above), and agents and employees of any of them, harmless from and against all damages, losses, costs and expenses, including reasonable attorneys' fees and court costs, arising out of the Purchaser's Services pursuant to this Agreement, to the extent caused by the negligent errors, acts, omissions or breach of contract by the Purchaser, Purchaser's officers and employees and any other persons or entities for whom they are legally responsible. The Purchaser agrees to defend and save HFC, all Additional Insureds (defined in Section 8 of Article I above), and agents and employees of any of them, harmless from and against all lawsuits, demands, claims or actions asserted against HFC, any Additional Insureds (defined in Section 8 of Article I above), or agents and employees of any of them, to the extent they involve or assert claims, matters or allegations that, if successful, would require the Purchaser to indemnify HFC, any Additional Insureds (defined in Section 8 of Article I above), or agents and employees of any of them.

ARTICLE VI CONFLICT OF INTEREST

1. Except with HFC's knowledge and consent, the Purchaser shall not undertake any activity or employment, have any financial or other interest, or accept any contribution, if it would reasonably appear that such activity, employment, interest or contribution could compromise the Purchaser's professional judgment or prevent the Purchaser from serving the best interests of HFC. In this regard, the Purchaser shall disclose to HFC, as requested, the sources of any remuneration received by Purchaser on other projects involving the same kinds of FF&E or

Services that are the subject of this Agreement.

ARTICLE VII MISCELLANEOUS

1. This Agreement, together with all the Exhibits attached hereto and incorporated herein represents the entire and integrated agreement between the parties hereto and supersedes any proposals or requests therefore and all prior or contemporaneous agreements, understandings, representations and statements, oral or written (including Purchaser's responses to and/or submissions in connection with HFC's requests for proposal or other solicitations), all of which are hereby rendered null and void and of no effect. To the extent any portion of the Purchaser's proposal or responses to HFC's solicitations are attached or referenced in this Agreement, such attachment or reference is intended only to identify the specific, limited items as set forth therein. No other terms or conditions in any such document are incorporated into or part of this Agreement or any other Contract Document, but rather all such terms and conditions are null and void and are superseded and rendered of no effect by the terms of this Agreement. No modification, waiver, amendment, discharge or change of this Agreement shall be valid unless the same is in writing and signed by the party against which enforcement of such modification, waiver, amendment, discharge or change is or may be sought. This Agreement may be executed in counterparts, each of which shall be deemed an original agreement, but all of which shall constitute one and the same Agreement. The Purchaser acknowledges that this Agreement and various documents and correspondence issued by the parties in connection with the Agreement, such as requests or communications related to a Change in Scope, invoices and related requests for payment submitted by the Purchaser, and other related proposals and communications, may be from English into another language, and vice versa, and that the parties may execute this Agreement and any such related documents or correspondence in both an English version and a version in another language. The Purchaser agrees, however, that notwithstanding the issuance or translation of any such document in any other language, in the event of any conflict, ambiguity or inconsistency between the English version of this Agreement and/or such other documents and the version of this Agreement or such documents in another language, then the English version will control, and all disputes between the parties shall be decided by reference to the English version of this Agreement and such other documents only.
2. HFC and Purchaser each represent that they have the full power and authority to enter into and perform their respective obligations under this Agreement. This Agreement shall be binding upon HFC and Purchaser, and their respective heirs, legal representatives, successors and permitted assigns. This Agreement is not assignable, in whole or in part, by Purchaser without HFC's express prior written consent which may be conditioned, if given, upon such terms as HFC may require. HFC shall have the right, in HFC's discretion, to assign and/or transfer HFC's interest in this Agreement to any person or entity either outright or as collateral security for a loan. Upon assumption of this Agreement by such person or entity, HFC shall have no further liability under this Agreement.
3. This Agreement shall be governed and construed in accordance with the laws of the State or Province where the Project is located. The Article, Section and paragraph headings, and other titles and captions used in the this Agreement, are inserted only for convenience of reference, and are not intended to and shall in no way define, limit, enlarge or prescribe the rights or obligations of the parties, or affect the meaning, construction, scope or extent of any provisions of the Agreement. All claims or disputes between the Purchaser and HFC arising out or relating to the Agreement, or the breach thereof, shall be decided by litigation filed in the State or

Province where the Project is located. In any action brought by either party arising out of or relating to the Project, this Agreement or the breach thereof, reasonable attorneys' fees shall be awarded to the prevailing party, measured by the extent to which such party in fact prevails in the action as determined by the extent such party in fact succeeds in each claim or defense asserted by the party.

4. Purchaser and HFC agree that this Agreement is intended to and shall govern all Services provided by Purchaser for the Project, whether initiated or performed prior or subsequent to the execution of this Agreement, and that the effective date of this Agreement shall be deemed to be the first date when any Services were so provided by Purchaser.
5. Any notice required to be given hereunder shall be given in writing and shall be sent to the parties at the respective addresses hereinabove indicated and shall be deemed to have been given (i) when delivered by hand; (ii) when sent by first class registered or certified mail, postage prepaid, return receipt requested; or (iii) when sent by a nationally recognized overnight courier with written proof of delivery. Notices sent to HFC shall also be copied to _____, _____, attention _____.
6. Unless exempt, the Equal Opportunity Clauses as set forth in 41 CFR Sections 60-1.4(a), 60-250.5(a), 60-300.5(a) and 60-741.5(a), as well as the provisions of 29 CFR Part 471 are hereby incorporated by reference as terms and conditions of this Agreement and are binding on Purchaser.
- [7. Purchaser shall be responsible to assure compliance with all United States immigration laws and requirements including but not limited to regulations of the United States Immigration and Naturalization Service ("INS") and the United States Department of Homeland Security and all applicable State and local laws with respect to all employees of Purchaser and its subcontractors who will be performing work in connection with the Project. In this regard, Purchaser shall comply with all visa laws and related regulations and shall obtain and maintain all I-9 forms, I-797 forms and related backup documentation as required by applicable law. Additionally, Purchaser shall maintain all records required by the INS, including records of any posting requirements under H-1 visa regulations. Purchaser shall make such documentation available to HFC for review promptly upon request and shall indemnify and hold HFC, all Additional Insureds (defined in Section 8 of Article I above), HFC's Consultants, Project Manager, and agents and employees of any of them, harmless from all costs, damages, expenses, fines or penalties associated with Purchaser's or any of Purchaser's subcontractors' failure to maintain and submit any such documentation as required by applicable law or resulting from Purchaser's or any of Purchaser's subcontractors' inappropriate retention and/or use of non-US citizens to perform any work in connection with the Project.]
- [8. Purchaser certifies that: (i) neither it nor its officers, directors or controlling HFCs is acting, directly or indirectly, for or on behalf of any person, group, entity, or nation named by any Executive Order, the United States Department of Justice, or the United States Treasury Department as a terrorist, "Specially Designated National or Blocked Person," or other banned or blocked person, entity, nation, or transaction pursuant to any law, order, rule, or regulation that is enforced or administered by the Office of Foreign Assets Control ("SDN"); (ii) neither it nor its officers, directors or controlling HFCs is engaged in this transaction, directly or indirectly on behalf of, or instigating or facilitating this transaction, directly or indirectly on behalf of, any such person, group, entity or nation; and (iii) neither it nor its officers, directors or controlling HFCs is in violation of Presidential Executive Order 13224, the USA Patriot Act, the Bank

Secrecy Act, the Money Laundering Control Act or any regulations promulgated pursuant thereto. Purchaser hereby agrees to defend, indemnify, and hold harmless HFC, all Additional Insureds (defined in Section 8 of Article I above), HFC's Consultants, Project Manager, and agents and employees of any of them, from and against any and all claims, damages, losses, risks, liabilities and expenses (including attorneys' fees and costs) arising from or related to any breach of the foregoing certification. In the event that Purchaser, during the term of this Agreement, is designated an SDN, HFC, in addition to any other remedies that may be available under this Agreement or applicable law, may terminate this Agreement for cause pursuant to Section 2 of Article IV herein.]

9. If the Services required by this Agreement require the Purchaser to work at the Site, the Purchaser shall comply with any and all policies and rules established by HFC relating to access or behavior at the Site and any policies or rules regulating parking, ingress and egress, noise, smoking, hygiene, food services, restricted areas, elevator use, and guest privacy and confidentiality, including any applicable House Rules attached to this Agreement as Exhibit C.
10. In the event the Purchaser encounters any materials at the Site which are hazardous (including but not limited to asbestos, PCBs, etc.) or other materials or substances which the Purchaser knows will require special handling, disposal or treatment, the Purchaser shall immediately stop performing any Services in the affected area and shall immediately report the condition to HFC. All Services involving or affected by the condition shall not thereafter be resumed until such time as the material has been disposed of, abated, or otherwise removed, remediated or handled as required by applicable law and HFC directs Purchaser in writing to proceed with the Services. Purchaser shall not be responsible for the removal or remediation of hazardous material unless so provided in Exhibit A or otherwise agreed to by HFC and Purchaser in writing.
11. This Agreement may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same Agreement. Delivery by electronic transmission in portable document format (PDF) of an executed counterpart of this Agreement is as effective as delivery of an originally executed counterpart of this Agreement.

**ARTICLE VIII
SIGNATURES**

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

HFC:

PURCHASER:

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

EXHIBIT A
LIST OF FF&E AND OTHER SERVICES REQUIRED OF PURCHASER

The following constitute the specific FF&E items for which the Purchaser shall be responsible to provide the Services required by this Agreement:

The following Services shall be provided by Purchaser in addition to those specified in the Agreement. All of these listed Services shall be provided as part of, and without increase in, the Fee established in Article III of the Agreement:

EXHIBIT B REQUIREMENTS AND PROCEDURES APPLICABLE TO PURCHASER'S SERVICES

Project Budgets

- The budgeting system maintained by the Purchaser for the Project shall be compatible with and conform to the approved _____ Project Budget and shall be capable of providing variance reporting of actuals to budget on a real-time basis.
- Purchaser shall breakdown budgets by area in accordance with the direction given by _____'s Project Controller.
- Purchaser shall distribute to _____'s Project Controller and/or Project Manager, on a monthly basis and as otherwise requested by the Project Controller or Project Manager, a comprehensive reporting package that includes the current budget by area, budget variance by area, purchase orders by area, purchase orders by vendor, expediting report, invoice by area report and invoice by vendor report.

Purchase Orders/Contracts

- Purchase orders/contracts are to be signed by _____'s designated Project Manager.
- Purchase orders/contracts presented to _____'s designated Project Manager by Purchaser for execution must be vetted and compared by Purchaser against the approved Project Budget. _____ will presume that all purchase orders/contracts submitted by Purchaser have been so vetted and compared and that they comply with the Project Budget. Purchaser will be responsible for any failure to take these actions.
- All signed purchase orders/contracts are to be returned to Purchaser for placing with the vendor and immediate distribution to the _____.
- Purchase order/contract transmittals are to be sent to _____ as needed, and at a minimum, in the applicable weekly package.
- Purchase order/contract excel file uploads are to be sent to the _____ office by email, attention Supervisor, Capex Processing, as needed, and at a minimum, weekly.

All purchase orders/contracts must be in _____ in advance of any deposit request submittals.

Change Orders

- All Change Orders must include the reason for the deduction, increase, re-order quantity, pricing or specification and must be duly signed and authorized by the designated _____ Project Manager.
- If a purchase order is cancelled, in whole or in part, the cancellation reason must appear in the Change Order and must be duly signed and authorized by the designated _____ Project Manager.
- If a re-stocking charge is required by the vendor for an order cancellation, it must be clearly stated in the Change Order and authorized in writing by the designated _____ Project Manager.
- If a Change Order is being issued to cancel a purchase order and a deposit has already been processed, the purchase order **cannot** be closed out until the vendor has remitted a refund check payable to _____ for the full deposit amount.
- All signed Change Orders are to be returned to the Purchaser for placing with the vendor and immediate distribution to the _____ Finance office.
- Change Order transmittals are to be sent to _____ as needed, and at a minimum in the weekly package.
- Change Orders cannot be accommodated in the excel file uploads sent to _____ and will require manual updates in _____'s Accounting System.
- Change Orders should have a unique numbering sequence as determined by the Purchaser.

Note: If there is no written documentation that an authorized _____ representative has authorized a change or cancellation, any remuneration to either HFC or the vendor will become the responsibility of the Purchaser, including but not limited to, any restocking fee, return freight costs, duplicate merchandise costs, and reimbursement of deposits not refunded from cancelled orders.

Important: Purchaser must maintain the Project Budget by area with any and all changes to the original line items and alert the Project Manager to budget variances that may have a material impact to the overall cost of the Project's FF&E.

Deposit Requests

- Deposit requests are to be submitted with a check request cover sheet and must have attached to it a current vendor invoice, sales order, order acknowledgement or product quotation that evidences the vendor's payment and delivery terms, quantity ordered, item description, and unit cost. Vendors that collect the sales tax in the jurisdiction of the final destination of the product are required to include the applicable sales tax on their deposit invoice.
- Deposit check request submittals are to be accompanied by a copy of the executed purchase order.
- Deposits paid are to be reflected on all progress and balance due invoices as well as on the accompanying check requests.
- If a vendor initially requests a pro forma payment, sufficient notification must be given to _____'s Finance Group to assist Purchaser in negotiating the advance trade payment terms.
- Pro forma check request submittals must have a current vendor invoice attached that evidences the vendor's payment and delivery terms, shipping instructions, quantity ordered, item description, unit cost, total cost, and applicable sales tax in the jurisdiction of the final destination of the product if the vendor is licensed to collect such tax. _____ can process vendor shipping and handling charges on a separate invoice, but not the sales tax.
- Pro forma check request submittals are to be accompanied by a copy of the executed purchase order.
- Deposit and pro forma check request transmittals are to be sent to _____, as needed, and at a minimum once per week.

Important: Deposit check request transmittals are not required to be sent to _____'s Project Manager or to the designated project manager at the Site for approval before being sent to _____ for processing.

Note: Deposit request transmittals received in _____ no later than noon on Wednesday cannot be processed for payment earlier than the following Tuesday. Submittals received in _____ no later than noon on Friday, cannot be processed for payment earlier than the following Thursday.

Competitive Bids

All Bids solicited by Purchaser shall be conducted and evaluated in conformance with the then current version of _____'s Competitive Bid Policy.

Vendor Qualifications

All Vendors must complete and submit the then current _____ Vendor Qualification Form and all vendors allowed to bid must satisfy all applicable qualification requirements set forth in such Form or otherwise established by _____.

Check Requests

- Check requests transmittals are to be sent to _____, as needed, and at a minimum once per week.
- A single check request is to be submitted for invoices with the same vendor and the same purchase order.
- Invoices with the same vendor, but on different purchase orders, require separate check requests.
- Check requests for third party freight carriers must have the original purchase order number and original vendor name appearing on the check request.
- A copy of the actual freight bill must accompany all prepaid and add freight charges on vendor invoices when the charge exceeds \$200.
- Wherever possible, a copy of the Bill of Lading should also be attached with the vendor original invoice to the check request.
- A notarized lien waiver must accompany all invoices that include installation services contractually agreed to in the executed purchase order.
- Sales taxes calculated on vendor invoices are to be verified by Purchaser in order to determine the correct sales tax rate is being charged for final destination. It is the Purchaser's responsibility to ensure that the vendor is authorized to collect applicable sales tax in the jurisdiction of the final destination of the product.
- All shipment overages on a vendor invoice must fall within the allowable percentage in the purchase order.
- The check request must reflect the vendor terms per the purchase order.
- The vendor invoice must match the current purchase order price and quantity. No manual changes or alterations to the vendor invoice will be accepted.
- Deposits paid are to be reflected on and deducted from all progress and balance due check requests.

- If there has been a subsequent Change Order issued after a deposit has been paid, the check request must take into consideration the balance of the deposit to be applied in full to the vendor's current progress or final invoice.
- Credit check requests must accompany all vendor refund checks and credit invoices and include the original purchase order information.
- A credit issued by a vendor for a particular project cannot be applied to other outstanding invoices on _____'s account without the written knowledge and consent of _____'s office.

Important: Check request transmittals are not required to be sent to _____'s Project Manager or to the designated project manager at the Site for approval before being sent to _____ for processing.

Note: Check request Transmittals received in _____ no later than noon on Wednesday cannot be processed for payment earlier than the following Tuesday. Submittals received in _____ no later than noon on Friday, cannot be processed for payment earlier than the following Thursday. Vendor payments will be made in accordance with the payment terms of the purchase order.

Fabric Flame Certificates

- A copy of the Flame Certificate must accompany invoice(s) for treated material (including, but not limited to, carpet, carpet pad, VWC, and all fabrics, regardless of their application).
- The original Flame Certificates must be compiled in a binder, filed by Project area and then by vendor purchase order. The binder's index must include a list by area of the purchase order numbers, vendor and flammable item supported by copies of the purchase order attached to the flame spread certificate. The Flame Certificate binder must be submitted to the designated project manager at the Site prior to final payment of Purchaser's Fee as part of the Project close out.

Vendor Inquiries

- Purchaser is required to manage vendor inquiries on payment status as a part of Purchaser's contract. _____ will designate a primary contact for Purchaser to obtain status on open items and will provide a weekly electronic file of payments processed to Purchaser.

Fee and Reimbursable Expense Billings

- Fee invoices are to be billed in accordance with the terms of Purchaser's Agreement and should include the total contract amount, total completed to date amount and billed to date to arrive at the current invoice amount.
- Invoices for Reimbursable Expenses can be billed monthly and are to include supporting documentation for each line item.

Electronic Funds Transfer

- _____'s preferred method of payment is the ACH funds transfer with funds being deposited in the vendor's bank account the following business day from date of issuance.

- Purchaser shall actively solicit bank account information on behalf of _____ from new and existing project vendors to increase the number of vendors participating in this payment process.
- _____ will provide Purchaser with a copy of the vendor's payment advice on a weekly basis to facilitate Purchaser's invoice tracking reporting.

Trade Letters of Credit

All Trade Letters of Credit must conform to _____'s Letter of Credit Form.

EXHIBIT C

HOUSE RULES

The following rules apply to Purchaser and Purchaser's vendors, subcontractors, suppliers and outside personnel working in or around the premises of the Site ("Construction Personnel").

1. No Construction Personnel shall be allowed on guest occupied floors unless engaged in pre-scheduled activities.
2. Construction Personnel are to eat, take breaks, change clothes and use restrooms etc. in designated areas only.
3. Construction Personnel shall not be allowed in HFC's employee or guest designated areas. Use of the Employee Cafeteria is strictly forbidden.
4. There is no on-site parking other than that provided for public use.
5. Service elevator use will be scheduled with HFC for dedicated usage with 48 hours advance notification, or as available for Construction Personnel transportation.
6. Construction Personnel are restricted from using guest elevators. Only service cars are to be utilized.
7. There will be no use of HFC's employees or personnel or their tools, equipment or facilities during performance of the work.
8. Trash shall be removed on a daily basis without use of HFC's facilities or the Site compactor. Site shall be left in broom swept condition. Absolutely no Site areas are to be used for storage of debris without prior consent from HFC.
9. All temporary barriers and partitions will be placed in a safe workmanlike manner pursuant to industry practices. Any such work will take place after written notification and coordination with HFC or designated personnel. All temporary barriers are to be taped, spackled and painted unless wallcovering is specifically noted.
10. Provide temporary signage and lighting as required where public space is affected.
11. Life safety systems will be maintained in an operating condition at all times unless specific shutdowns are pre-scheduled.
12. A shutdown of any building service must be scheduled a minimum of 48 hours in advance. Shutdown of any major building services will be scheduled at the discretion of HFC and only after sufficient advance notice.
13. All Construction Personnel will wear suitable identification, i.e., badge while on premises. Access and egress to and from the Site shall be through the security checkpoint only.
14. Absolutely no radio playing is permitted on the worksite.
15. The Purchaser shall protect and secure its materials and equipment against loss by theft or otherwise. HFC will not accept any claim for money or delay in time of completion due to alleged theft of materials or equipment from the jobsite unless such loss is due to HFC's sole negligence.
16. Alcoholic beverages, narcotics or cigarette smoking are absolutely prohibited on the premises at all times. Failure to comply with this rule will result in immediate dismissal.
17. Any work in public/guest areas will require strict supervision to assure that absolutely no guest interference will occur. Purchaser assumes full responsibility for this supervision.
18. Use of chemicals related to job performance must be reported to HFC prior to use. Use of such chemicals must be in strict compliance with OSHA standards and all other applicable laws.
19. A Hot Work Permit must be completed and delivered to HFC's Risk Management Department prior to any soldering.
20. Damage to the Site including carpet and pad, wallcovering, softgoods, casegoods, hardware, electronics, electrical fixtures, switchplates, bathroom fixtures and accessories and any sundry items will be the responsibility of the Purchaser.
21. Any wet work such as tile installation will be conducted only after proper protection of adjacent

areas. Purchaser is responsible for returning all areas to their proper condition upon completion.

22. On-Site storage facilities will not be automatically available. Where facilities are provided, Purchaser is responsible for maintaining them in a clean fashion and returning them in like condition. Keys issued for such areas are the property of HFC and must be returned daily.
23. Purchaser is responsible for scheduling all deliveries of materials 48 hours in advance. Receipt and transport of all such materials are the responsibility of Purchaser. None of HFC's employees or personnel will be utilized for these purposes.
24. Purchaser bears full responsibility for protection and daily cleanup of the work area. Any Construction Personnel who fails to protect the Site, clean the premises or properly remove Project-related debris at the end of each workday or as scheduled, will be subject to a backcharge should HFC's employees or personnel perform this service.
25. Use of service elevator for movement of equipment must be properly supervised by Purchaser's management personnel. Should any damage occur, Purchaser is strictly responsible for restoration of the car.
26. No elevator shall be operated with an open hatch unless supervised by the required, licensed elevator technician for the Project and prior approval is provided by HFC. Purchaser is solely responsible for scheduling such supervision and providing any related insurance requirements.
27. Unauthorized removal of any existing property at the Site by any Construction Personnel is strictly forbidden and will result in immediate dismissal.
28. Unauthorized entry into the Site will result in immediate dismissal.
29. Purchaser shall provide a discrimination and harassment free work environment.
30. Construction Personnel are prohibited from taking pictures of the Site and are prohibited from publicizing, emailing, distributing, or otherwise posting pictures of the Site on the internet, including on social media sites like Facebook, Twitter, Pinterest, and the like.

It is the Purchaser's responsibility to provide these house rules to all of Purchaser's employees and to all Purchaser's subcontractors and all other Construction Personnel. Each of these work rules will be strictly enforced and the Purchaser held liable for the failure to comply by those in his employ.

EXHIBIT D
IDENTIFICATION OF PROJECT MANAGER / HFC'S CONSULTANTS

HFC hereby designates _____ as the Project Manager on the Project. Copies required to be sent to the Project Manager shall be sent to _____.

HFC hereby designates _____ as HFC's other Consultants on the Project. Copies required to be sent to HFC's other Consultants shall be sent to _____.

EXHIBIT “2”

HFC Procurement Manual



**PROCUREMENT MANUAL EFFECTIVE DATE:
DECEMBER 6, 2024**

1. INTRODUCTION

Houston First Corporation (“HFC”) has developed this Procurement Manual (“Manual”) to support and promote best practices in the acquisition of goods and services. HFC seeks to obtain the best value that results from an open and impartial process, while considering qualifications and competence, and in furtherance of the goals of non-discrimination and diversity participation.

This Manual, made effective as of the date set forth above, supersedes and replaces all previous editions. In the event of a conflict or inconsistency between this Manual and applicable law, the requirements of applicable law shall control and prevail.

Nothing in this Manual creates, gives or recognizes a property interest or right of any kind for the Vendor prior to the award of a contract. Compliance with all statutory and legal requirements is required of all Vendors.

2. DEFINITIONS

As used in this Manual, the following terms have the meanings indicated, unless the context otherwise requires:

“Board of Directors” means the Board of Directors of HFC.

“Board Chair” means the Chair of the Board of Directors.

“Director” means a voting or non-voting member of the Board of Directors, including the Board Chair.

“Disaster Protocol” as referenced in the Lease Agreement between the City of Houston and HFC and amendments thereto, means the policies and guidelines established for HFC’s procurement, selection of contractors, contracts and contract administration related to City of Houston owned properties managed by HFC for repairs, renovations or replacements damaged or destroyed, in whole or in part, resulting from the occurrence of a federally-declared disaster emergency event.

“Diversity Program” means the program implemented by HFC to promote the growth and development of small, minority and women-owned business enterprises and historically-underutilized businesses by providing opportunities to participate in its procurement and service contracts.

“Evaluation Committee” means the individuals selected by the President & CEO or the Office of the General Counsel to assist HFC in reviewing responses to a Solicitation in accordance with this Manual.

“Invitation to Bid” or **“ITB”** means the Solicitation for a competitive bid being offered by HFC.

“President & CEO” means the highest-ranking executive officer responsible for managing day-to-day operations and providing strategic leadership for the company by working with the Board and other management to establish long-range goals, strategies, plans and policies.

“Request for Proposals” or “RFP” means any document(s), whether attached or incorporated by reference, used for soliciting proposals by the competitive sealed proposal procurement method.

“Request for Qualifications” or “RFQ” is the competitive sealed procurement method that requests details about the qualifications of a professional whose services must be obtained in compliance with the Professional Services Procurement Act and for other professionals if HFC chooses to use the RFQ process.

“Solicitation” refers to any formal procurement request prepared and issued by HFC that is reasonably anticipated by HFC to result in a contract for goods and/or services in excess of \$50,000.

“Substantial Interest” is as defined in Section 3.5 A of this Manual.

“Vendor” means a person or entity that has entered into a contract with HFC, or a person or entity that seeks to enter into a contract with HFC, by submitting a bid, proposal, or response to HFC.

3. PROCUREMENT STANDARDS

3.1 Commitment to Transparency and Integrity

HFC seeks to ensure that all of its Solicitations foster full and transparent competition, seek quality and best value and maintain integrity and accountability. Every effort should be utilized to develop and implement planning, procedures and practices that promote these commitments.

3.2 Non-discrimination in Procurement Operations

Discrimination based on religion, sex, race, color, ethnic or national origin, sexual orientation, gender identity, age, or disability will not be tolerated, and all aspects of HFC procurement must operate in a non-discriminatory manner. This mandate requires that employees and Vendors operate in a manner that provides and (in good faith) promotes equal opportunity without regard to any protected status and in conformity with all applicable laws prohibiting discrimination.

3.3 Commitment to Opportunity, Diversity and Small Business

HFC is dedicated to promoting the growth and development of (among others) small, minority and women-owned business enterprises by providing opportunities to participate in its procurement and service contracts. In support of this commitment, HFC has established its [Diversity Program](#) to ensure the inclusion of diverse Vendors able to provide quality goods and services at competitive rates in all areas of HFC operations.

The [Diversity Program](#) is designed to create opportunities, while requiring competitiveness and quality of work, by means of contract-specific goals requiring Vendors to use good faith efforts to include diverse Vendors.

3.4 Use of Available Procurement Options

HFC may employ any and all procurement methods recognized by state law and permitted for governmental entities, including, but not limited to, Chapter 252 and Chapter 271 of the Texas Local Government Code, Chapter 431 of the Texas Transportation Code, and Sections 2254 and 2269 of the Texas Government Code.

In determining which procurement method to utilize, HFC will evaluate specific needs, the time required for the procurement, and the necessary staffing requirements. HFC seeks to utilize procurement methods that further enhance its policy goals, including diversity participation, so long as these policy goals and their implementation are conducted in accordance with state and federal law and also further the needs of HFC's operations and business.

3.5 Conflicts of Interest and Disclosure Requirements

Integrity and impartiality in procurement require that conflicts of interest involving Directors or employees must be disclosed and avoided to the fullest extent possible. When a conflict of interest exists (or would appear to a reasonable person to potentially exist), full disclosure by the conflicted Director or employee is required. Conflicts of interest exist when a private interest interferes (or would appear to a reasonable person to potentially interfere) in any way with the interests of HFC.

Conflicts of interest can arise in numerous situations, resulting from gifts, relationships, business HFCship interests, instances of Substantial Interests, or various other circumstances. Directors, employees and Vendors are required to take certain actions on their own initiative so as to avoid or prevent the emergence or appearance of a conflict of interest. The following are situations that require proactive action by participants in the procurement process.

A. Substantial Interest

No Director or employee who exercises discretion in the procurement process shall participate in, evaluate, recommend or vote on any matter being considered by HFC to which he or she has a Substantial Interest (as defined below) in any business entity being considered.

The term "Substantial Interest" shall have the meaning defined in Texas Local Government Code 171, as may be amended from time to time. As of the effective date of this Manual, a person has a "Substantial Interest" in a business entity if the person owns at least ten percent of the voting stock or shares of the business entity; or either ten percent or \$15,000 of the fair market value of the business entity or funds received by the person from the business entity exceed ten percent of the person's gross income for the previous year. A person has a "Substantial Interest" in real property if the person has legal or equitable HFCship of such real property with a fair market value of \$2,500 or more.

If a Director has a Substantial Interest, then such member shall promptly recuse himself/herself from participation or voting on the matter and file with HFC an affidavit of Substantial Interest in a form approved by the General Counsel.

If an employee who exercises discretion in the procurement process has a Substantial Interest, or if a family member (see Section 3.5.D below) of an employee who exercises discretion in the procurement process has a Substantial Interest, then the employee must immediately notify

the President & CEO or the General Counsel. Once an actual or potential conflict of interest involving an HFC employee or their family member has been disclosed, such employee may not participate with or be involved in the procurement matter without, the expressed approval of the President & CEO.

B. Gifts/Relationship Conflicts and Disclosure

Gifts from Vendors or business relationships with Vendors can give rise to the need for public disclosure. HFC discourages gifts to its Directors or employees. Pursuant to Texas Local Government Code 176, any gift(s) to a Director or employee involved in a procurement transaction must disclose receipt of gifts from a Vendor that have an aggregate value in excess of \$100 during the 12-month period preceding the date that the individual becomes aware that a contract between HFC and the Vendor has been executed or HFC is considering entering into a contract with the Vendor. Additionally, a Director/employee must disclose any employment or other business relationship with a Vendor that results in taxable income, other than investment income, in excess of \$2,500 during the preceding 12-month period preceding the date that the individual becomes aware that a contract between HFC and the Vendor has been executed or HFC is considering entering into a contract with the Vendor.

The General Counsel shall be directly involved in the impartial evaluation of all matters related to actual or potential conflicts of interest and shall review facts, analyze legal issues and advise HFC on all questions related to resolving actual or potential conflicts of interest.

C. Prohibited Conduct

The following are examples of prohibited conduct that Directors and employees must not engage in, unless specifically approved in writing after full disclosure of all relevant facts to the President & CEO and the General Counsel (in the case of an employee other than the President & CEO), or the Board Chair (in the case of a Director or the President & CEO) in writing after full disclosure of all relevant facts to the Board Chair:

- Taking opportunities that properly belong to HFC or are discovered through the use of HFC property, information or position;
- Using HFC property, information or position for personal monetary gain;
- Competing with HFC during the time that he or she is a Director or employee;
- Engaging in any activity that results or may result in a conflict with the proper performance of duties or responsibilities or that might adversely affect his/her independent judgment;
- Maintaining an undisclosed HFCship interest in any supplier, contractor, subcontractor, competitor, customer or other entity with which HFC does business;
- Disclosing confidential information related to a procurement while the procurement process is ongoing;
- Acquiring any property HFC has (unless obsoleted or otherwise expressly permitted, as sometimes is the case with used IT equipment) or is considering purchasing;

- Maintaining HFCship or acquiring any property utilizing confidential information obtained through HFC or in the course of performing duties for HFC; or
- Appropriating or diverting to others any business opportunity that he or she knows or could reasonably have anticipated that would of material interest to HFC.

HFC requires affirmative steps by Directors and employees to identify and disclose potential and actual conflicts of interest. Directors shall report potential or actual conflicts to the Board Chair. Employees shall report to the General Counsel. The General Counsel must disclose potential or actual conflicts of interest to the President & CEO and Board Chair.

In the event any potential or actual conflict of interest exists with respect to any matter to be voted on or otherwise considered by the Board of Directors or any committee thereof, the General Counsel, President & CEO, or Board Chair must first brief the appropriate Directors on all relevant facts of such potential or actual conflict of interest.

D. Application to Family Members

For purposes of this Manual, the requirements and prohibitions related to conflicts of interest, gifts, and relationships that apply to Directors and employees also apply to their immediate family (i.e., spouse, domestic partner, children, parents, siblings, mothers and father in- laws, sons and daughters-in-law, brothers- and sisters-in-law, and anyone who shares their home).

3.6 Waiver of Conflict

HFC will examine the facts and circumstances surrounding every conflict or potential conflict of interest. In doing so, HFC will review the specific facts in light of the applicable law, use common sense and good judgment, and exercise sound discretion. In resolving conflicts, HFC strives to ensure that no Vendor has an unfair competitive advantage. In situations where HFC determines that it is in its best interests, a conflict of interest may be waived to meet the interests of HFC so long as the waiver is not in violation of the law. The President & CEO or the Board Chair has the authority to waive any conflict or potential conflict involving an employee. The waiver of conflicts involving the President & CEO must be done by the Board of Directors, unless authority to waive conflicts is or has been delegated to the Board Chair. Any other conflicts or potential conflicts of interest involving Vendors must be disclosed to the Board of Directors prior to any decision relating to the award of a contract with that Vendor.

3.7 Reporting Misconduct

HFC encourages Directors, employees and Vendors to report any conduct that may be illegal, unethical, wasteful, fraudulent, or otherwise constitutes misconduct. Reports may be made directly to the General Counsel; Directors and employees may also report their concerns using HFC Employee Hotline at 713.853.8888. Retaliation against any person who reports a concern to HFC in good faith regarding illegal or unethical conduct will not be tolerated. Making a report knowing it is false or otherwise in bad faith is unacceptable.

3.8 Restrictions on Communications

HFC regularly imposes material restrictions in its procurements while a Solicitation is being considered. Vendors are solely responsible for observation and compliance with such

restrictions. When used, this is a period of time when prospective Vendors (including their representatives and persons acting on their behalf) are prohibited from contacting Directors or employees, except as specifically allowed in the Solicitation (e.g., at a pre-submittal meeting).

3.9 Delegation of Authority

The Board of Directors has delegated to the President & CEO the authority to execute contracts and otherwise approve procurements for matters less than \$1,000,000 on an annualized basis. Procurements of \$1,000,000 or more annually must be presented to the Board of Directors for consideration and approval. Amendments, revisions, or other modifications to this Manual shall be effective immediately upon approval by the General Counsel for all intents and purposes.

HFC disavows and will not enter into any contract, modification, change order, contract price adjustment or other commitment unless it is made in writing, in a form approved by the General Counsel, and executed, if required, by the President & CEO or his/her authorized designee.

Any employee who signs a contract, modification, change order, contract price adjustment, or other commitment in a form other than approved by the General Counsel, or otherwise obligates HFC without authority delegated by the President & CEO is subject to disciplinary action, up to and including termination. If an unauthorized purchase is made for the personal benefit of the employee, then such employee may be obligated for the expense, without limiting any other right or remedy of HFC.

3.10 Role and Responsibilities of Employees Involved in Purchasing

All employees involved in the procurement process are required to be familiar with and understand this Manual, HFC policies, and applicable laws relating to procurement. Any deviations, variations or failure to follow the Manual must be reported immediately to the General Counsel. Specific responsibilities include all of the following:

- Conducting and supporting procurement of goods and services in the manner required in this Manual;
- Providing an efficient purchasing process for departments to utilize, including guidelines, purchasing options, small business/diversity information, and procedures for requisitions;
- Monitoring compliance with procurement rules and requirements during each Solicitation;
- Expediting the delivery of urgently needed goods and services;
- Periodically corresponding or meeting with departments to gather information to help improve the procurement process;
- Working directly with Vendors as needed to conduct procurements;
- Regularly reporting to the General Counsel on various procurement matters;

- Securing and maintaining in strict confidence all bids, proposals, statements of qualification, scoring matrixes, and bid tabulations throughout the selection and evaluation process;
- Ensuring that procurements are supported by a contract, or, if a contract is not available, a requisition form or other similar written directive, or other appropriate documentation regarding the proposed purchase commensurate with the total cost or scope of the goods or services being acquired.

4. GENERAL PROCEDURES FOR INITIATING A PROCUREMENT

For purchases reasonably anticipated to equal \$50,000 or more, HFC shall employ the procedures described herein to ensure uniformity and fairness in approach. Any deviations from such threshold amounts must be approved by the President & CEO (if under \$1,000,000 annually) or the Board of Directors (if over \$1,000,000 annually).

4.1 Procurements Over \$50,000 – Selection of a Procurement Method

The Office of the General Counsel will determine which procurement method to utilize for any procurement over \$50,000. Selecting the appropriate procurement method is dependent on an array of factors, including price, timing, legal requirements, the Diversity Program, and business opportunities.

5. GENERAL METHODS AND REQUIREMENTS FOR PROCUREMENTS

5.1 Request for Proposals

Request for Proposals allows HFC to consider a variety of factors in addition to price. Factors for evaluation may include, but are not limited to, the following:

- Experience/reputation;
- Quality of goods or services;
- Price;
- Impact on use of small businesses and diversity entities;
- Safety record;
- Proposed personnel;
- Financial capability; and
- Other relevant factors.

Prior to the publishing of an RFP, weights may be assigned to each factor used in the evaluation.

5.2 Formal Competitive Bid Procedures

When competitive sealed bids are used as the procurement method, HFC will utilize a formal bid process in accordance with applicable law. Detailed specifications, committed funding and an estimated cost are required before issuing an Invitation to Bid.

5.3 Request for Qualifications

A Request for Qualifications allows HFC to evaluate the qualifications of certain professionals (e.g., architects and engineers) whose services must be obtained in compliance with applicable law, and other professionals, if HFC chooses to use the RFQ process.

5.4 Interlocal Agreements and Purchasing Cooperatives

HFC may join or contract with other governmental entities to receive or supply goods and services as part of a purchasing cooperative. The General Counsel shall ensure that each purchasing cooperative or interlocal agreement includes established terms and conditions sufficient to protect the best interests of HFC and may require, at his/her discretion, a signed agreement or job order contract directly with one or more Vendors to ensure the enforceability of legal terms and conditions. Any procurement with a Vendor through a purchasing cooperative or interlocal agreement in excess of \$1,000,000 annually must be approved by the Board of Directors.

5.5 Public Posting, Advertisements and Announcements

As HFC recognizes the need for publicity and advertisement of procurement opportunities, the Office of the General Counsel will ensure that Solicitations are posted on HFC website and advertised as directed by the General Counsel in a manner sufficient to protect the best interests of HFC.

5.6 Pre-Submittal Conference

HFC may conduct a pre-submittal or pre-proposal conference before submission of responses to Solicitations to further explain or clarify a Solicitation and respond to questions from Vendors. Attendance at a pre-submittal conference is not mandatory. At the conference, HFC will review significant points in the Solicitation.

If modifications or amendments are made to a Solicitation, then the Office of the General Counsel must ensure proper publication and notice of these changes. It is the responsibility of each Vendor to monitor HFC website for such Solicitation changes and modify their response accordingly.

5.7 Bid Bonds

Vendors seeking to be awarded a contract may be required to post a bid bond. If a bond is required, then HFC will include the requirement in the Solicitation.

5.8 Affirmation of No Conflicts and Confidentiality by Evaluation Committee

Evaluation Committee members are prohibited from participating in any way with the review or consideration of a procurement if a conflict of interest exists (or would appear to a reasonable person to potentially exist). Evaluation Committee members shall disclose and discuss

any actual or potential conflict of interest (including those that would appear to a reasonable person to be a potential conflict of interest) directly with the General Counsel prior to participating in the review or consideration of a procurement.

If requested by the General Counsel at his/her discretion, then each member of an Evaluation Committee shall execute a No Conflict and Confidentiality Statement before participating in the selection process.

5.9 Delegated Authority to the General Counsel

The Board of Directors delegates to the General Counsel the authority to create rules and procedures and to use forms, documents, exhibits or other instruments required for each Solicitation.

6. SUBMISSION OF BIDS/PROPOSALS

6.1 Timelines of Submission

Bids and proposals must be submitted in accordance with the requirements set forth in the Solicitation. Any bid or proposal which arrives at HFC offices after the time set forth in the Solicitation will be rejected, unless the delay is caused internally by the mishandling of mail delivery.

6.2 Amendment and Withdrawal of Bids/Proposals

Any bid or proposal may be amended or withdrawn by any method authorized by the Solicitation prior to the deadline for submission. To be effective, any notice of amendment or withdrawal must be actually received by HFC in the manner designated in the Solicitation.

6.3 Mistakes and Minor Irregularities

A minor informality or irregularity is one that is merely a matter of form and not of substance. It can also pertain to an immaterial defect in a bid/proposal or a variation of a bid/proposal from the exact Solicitation requirements that could be corrected or waived without being prejudicial to other Vendors. The defect or variation is immaterial when the effect on price, quantity, quality, or delivery is negligible when contrasted with the total cost or scope of the goods or services being acquired. The General Counsel may either allow the Vendor an opportunity to cure any deficiency resulting from a minor informality or irregularity, or waive the deficiency if it is in the best interest of HFC.

There is no authority to permit correction of a submittal that is non-responsive.

6.4 Responsiveness of Submittal

For a bid, proposal or statement of qualifications to be responsive, it must substantially comply with the requirements and specifications set out in the Solicitation. The Office of the General Counsel will conduct a pre-award review to determine that the potential winning Vendor has offered a responsive bid. If an Evaluation Committee is used in considering the submitted bids, then the Evaluation Committee may make the determination of “responsible Vendor,” but such confirmation or failure to confirm must be reviewed and acknowledged by the General Counsel or

his/her delegate. The General Counsel or his/her delegate must notify the Vendor that its submittal has been determined as non-responsive.

6.5 Right to Reject Responses and Waive Formalities

HFC reserves the right to accept or reject any and all responses and waive formalities to best serve the interests of HFC. Moreover, in case of ambiguity or lack of clarity in any response, HFC reserves the right to consider the most advantageous interpretation of, or to reject, the response.

6.6 Postponement or Cancellation of Bid/Proposal Opening

The Office of the General Counsel may postpone, delay, or extend a Solicitation opening by means of a letter of clarification. Any Solicitation issued by HFC may be cancelled by the Office of the General Counsel if it is determined that such cancellation is the best interest of HFC. In such a situation, all aspects of the Solicitation are cancelled.

7. EVALUATION PROCESS FOR BIDS/PROPOSALS

7.1 Competitive Bids Over \$50,000

The Office of the General Counsel shall publicly open competitive bids over \$50,000 at the designated time, date and place specified in the Solicitation. The name of each Vendor, the amount bid and other information deemed appropriate by the Office of the General Counsel, if any, shall be read aloud.

7.2 Evaluation of Competitive Sealed Bids, Requests for Proposals and Requests for Qualifications

Before a Solicitation is issued, an evaluation method will be assigned by the Office of the General Counsel. For all Solicitations, other than competitive bids, an Evaluation Committee may be made part of the process, at the option of the General Counsel.

Experience or expertise in the following areas should be considered when putting together an Evaluation Committee: Operational knowledge, financial analysis, technical expertise, diversity awareness, administrative support, and industry experience.

Evaluation Committee members must be able to commit the required time, be free of actual and potential conflicts of interests, and able to maintain the confidentiality of the process. Evaluation Committee members may be disqualified for failing to adhere to any of these requirements.

Any scoring and voting documents from the Evaluation Committee will be maintained by the Office of the General Counsel. Any irregularity or impropriety in the evaluation process must be reported immediately to the General Counsel or the President & CEO.

The Evaluation Committee may use either the numerical or the consensus/narrative method of scoring proposals. The decision as to which one to use will be made by the Office of the General Counsel.

8. PROCEDURES FOR CONSTRUCTION SERVICES CONTRACTS (OVER \$50,000)

HFC is authorized under Chapter 2269 of the Texas Government Code to use any one of the following types of construction delivery methods:

- Competitive sealed bids;
- Competitive sealed proposals;
- Construction manager agent;
- Construction manager-at-risk;
- Design-build; and
- Job order contract.

8.1 Best Value Determination

Before advertising for a construction services contract, HFC must determine which method above provides the best value to HFC. Where best value may be utilized in the process, the following criteria may be considered for evaluation with a weight assigned to each:

- Price;
- Experience and reputation;
- Quality of goods or services;
- Impact on the ability to comply with rules relating to historically underutilized businesses;
- Safety record;
- Proposed personnel;
- Whether the Vendor's financial capability is appropriate to the size and scope of the project; and
- Any other relevant factor specifically listed in the request for bids, proposals, or qualifications.

(If the competitive sealed bid process is used, then the foregoing selection criteria can only be used to determine whether the contractor is a responsible Vendor, as the award can only be made to the lowest responsible Vendor.)

If any delivery method other than competitive sealed bid is used, then the respondents will be graded based on the selection criteria set out in the Solicitation, and the award will be made to the respondent who provides the "best value" to HFC for the project. The award does not have to be made based on the lowest price. The Evaluation Team will rank the respondents based on their scores on the selection criteria, and negotiations will begin with the highest-ranked respondent. If

successful negotiations cannot be reached, then HFC has the right to cease negotiations and begin negotiations with the next highest-ranked respondent.

8.2 Use of Design-Build

The design-build model requires the selection of a design-build firm using a combination of technical, cost proposal and special consideration to the role of and use of engineers. Prior to utilizing the design-build method, the Board of Directors must affirmatively authorize its use based on a preliminary determination of best value made by the Office of the General Counsel.

8.3 Job Order Contracts

HFC may use job order contracts for construction projects, such as building repairs, rehabilitation, or alterations, when the work is of a recurring nature (e.g., re-carpeting, re-roofing, or re-painting interiors or exteriors or other minor projects), but the delivery times are indefinite. It cannot be used for civil engineering projects or large construction projects, such as the construction of a building.

9. PROCEDURES FOR PROFESSIONAL SERVICES CONTRACTS

Certain professional services (including, by way of example, accounting, architecture, surveying, and engineering) must be procured pursuant to the provisions of Chapter 2254 of the Texas Government Code utilizing the RFQ process.

Vendors are evaluated initially on the published criteria to determine the most qualified; subsequently, HFC will solicit pricing from the highest-ranked Vendor.

10. PROCEDURES FOR OTHER PROFESSIONAL SERVICES CONTRACTS

For other professional services not identified in Chapter 2254 of the Texas Government Code, HFC has broad legal latitude and may use any available procurement method to get the best value.

10.1 Best and Final Offer

HFC is authorized to employ various forms of negotiation with a Vendor after a determination has been made regarding the Vendor's potential to give "best value" to HFC. The use of "best and final offer" as a technique for negotiations is permitted to further HFC's objective to obtain the "best value" for HFC.

11. POST-SELECTION ACTIVITIES

The General Counsel shall negotiate and finalize procurement contracts. The relevant departments, assisted by the Office of the General Counsel, if the department so requests, shall monitor the administration of contracts, unless otherwise designated in the contract or assigned by the President & CEO, by ensuring that all parties fulfill their contractual obligations as well as maintaining proper records of the contract and its administration.

11.1 Contract Performance

Each Vendor should expect regular and customary inquiries from HFC regarding contract performance. These inquiries may include the following:

- Timely execution of core contract responsibilities;
- Costs and expenses consistent with the identified costs for contract;
- Quality of the work and product presented to HFC;
- Satisfaction of the contract goals for small business and diversity participation;
- Compliance with prevailing wage requirements;
- Safety procedures and completion;
- Compliance with specific contract obligations and/or contract promises made by Vendor;
- Timely payment to subcontractors; and
- Adherence to governmental rules and regulations

The objective of the performance review is to confirm contract compliance. HFC (through the department head which has requested the relevant contract or person designated by the President & CEO) will record clear failures by Vendor to meet any core contract obligations as listed above and efforts to afford opportunities for the Vendor to satisfy those obligations. Any such clear failures will be reported to the General Counsel and President & CEO. The General Counsel, along with the relevant department head, will maintain copies of any contract evaluations recording clear failures to perform.

11.2 Change Orders and Contract Modifications

Any material changes to the contract cost/fee, scope of work, duration or any other element of the contract will necessitate a written contract change order signed by the President & CEO or his/her delegate (each a “Change Order”). The form and content of all Change Orders must be approved in advance by the General Counsel.

No Change Order may be made without proper authorization. A Change Order under \$1,000,000 must be authorized by the President & CEO or his/her delegate. All Change Orders over \$1,000,000 (and any Change Order causing the total contract value to exceed \$1,000,000 on an annualized basis) must be approved by the Board of Directors unless otherwise delegated. The General Counsel must advise on the legal aspects of all Change Orders regardless of amount.

11.3 Small Business/Diversity Compliance

Small business and diversity participation is central to procurement at HFC. The [Diversity Program](#) requires full participation by our Vendors, and HFC will closely monitor compliance.

11.4 Early Contract Termination

HFC expects full and complete performance from each of its Vendors. Failure to meet any of the major contract terms may constitute grounds for early termination. Where appropriate and subject to negotiation, material contracts with Vendors will include provisions for termination “for cause” and termination “for convenience.” The General Counsel is delegated the authority to

terminate a contract if HFC is so authorized by contract, the Board Chair or the President & CEO, and if all contract requirements applicable to termination are followed.

11.5 Contract Term Renewals

A contract term may be renewed or extended by a signed amendment or a written notice consistent with the terms and conditions thereof approved by either the President & CEO or the General Counsel.

12. EMERGENCY PROCUREMENTS

An emergency is a condition that creates a threat to an employee, property or operations, or to public health, welfare or safety, arising from natural forces (e.g., fire, wind, flood, storm, earthquake, epidemic or other natural disaster); riot, unlawful assembly or mob violence; or hostile acts of a public enemy. Emergency also means any condition that requires immediate action to protect life or property or to correct a condition that places continuity of essential operations by HFC in material peril.

As a guiding principle, the following situations or conditions are not considered an emergency:

- Depleted supplies due to poor planning or management;
- Broken or damaged equipment or vehicles caused by not following scheduled maintenance; or
- Purchasing of items through standard purchasing procedures which will not disrupt services, will not significantly increase the cost of HFC operations, and will not stop work in progress.

The relevant department will forward the emergency procurement request to the Office of General Counsel. The President & CEO, alone, may declare the existence of an emergency, approve the request and waive the requirements set forth in this Manual. For emergency procurements equal to or greater than \$1,000,000, the President & CEO shall promptly report the existence of and approval of the request to the Board Chair. The President & CEO shall report such items deemed an emergency and over \$1,000,000 to the Board of Directors at its next regularly scheduled meeting.

For emergency construction projects limited in scope (e.g., a broken window), the relevant department shall ascertain whether the same type of construction requested is currently and readily available under a Job Order Contract. If a contract for the items or services is already in place, then the relevant department, or the Office of the General Counsel (if requested), will contact the appropriate Vendor to fulfill the request. If the item or service is not covered by the Job Order Contract, then the relevant department, or the Office of the General Counsel (if requested) shall take immediate action to resolve the emergency condition, using good faith efforts to select sources.

13. SOLE SOURCE JUSTIFICATIONS

HFC seeks to promote competition to get best value by requiring bids for prospective Vendors whenever possible; however, HFC may purchase equipment, supplies, materials or services through non-competitive negotiation (sole source) when the award of a contract is not feasible under any of the other described procurement methods in this Manual. Sole source purchases are purchases of goods or services that are available from only one source (e.g., an item for which competition is precluded because of the existence of a patent, copyright, or monopoly; a utility service, including electricity, gas, or water; or a captive replacement part or component for equipment).

Procurement without competition is authorized under the limited conditions stated above, subject to appropriate documentation of the conditions which preclude the use of a competitive process commensurate with the total cost or scope of the goods or services being acquired. Negotiation should be attempted before agreeing to a sole source purchase.

14. MISCELLANEOUS

14.1 Federal Funding Requirements

If HFC engages in a procurement utilizing federal funds or that has applicable federal regulations, then HFC will adhere to applicable policies and procedures required by federal law and regulation.

14.2 Disaster Protocol for Repairs

In the event a federally-declared disaster that requires repair, renovation or replacement of City of Houston facilities leased or managed by HFC, procurements for disaster related repair, renovation or replacement will be subject to Disaster Protocols as outlined in the Lease Agreement between the City of Houston and HFC and any amendments thereto.

14.3 Prevailing Wage

HFC will require payment of a prevailing wage rate on construction projects in accordance with Chapter 2258 of the Texas Local Government Code. Vendors on construction projects are required to adhere to all contract provisions regarding payment and reporting of a prevailing wage rate.

14.4 Procurement Training

The President & CEO may request that the Office of the General Counsel conduct annual training regarding the requirements and expectations for procurement. Training sessions should review and examine the basic tenants of procurement at HFC, this Manual, the [Diversity Program](#), the Code of Business Conduct and Ethics, and developments or changes in procurement law.

14.5 Procurement Evaluation

HFC strives to continuously improve its mechanisms and procedures for procurement. In that regard, the President & CEO and General Counsel, as well as other management of HFC, will periodically review various aspects of procurement at HFC to ensure compliance and support best practices.