

CODE OF CONDUCT FOR VENDORS

Houston First Corporation ("Houston First" or "HFC") maintains a policy of procuring goods and services in an efficient and effective manner, exercising integrity and transparency, obtaining best value based on a competitive process and creating opportunities for participation. To insure compliance to this policy, Houston First requires that all vendors¹ adhere to a certain standard of conduct that promotes an even playing field for all potential businesses. Toward that end, the following *Code of Conduct for Vendors* has been adopted by HFC to guide the conduct of those who bid, propose or otherwise seek business or contract with Houston First to provide goods and services. Violations of this Code of Conduct for Vendors may result in a variety of actions against the vendor, including disqualification, sanctions or termination of contract.²

Houston First respects and appreciates its relationship with its business partners. This *Code of Conduct for Vendors* will promote and exhibit the integrity and fairness in the expenditure of public funds that HFC is committed to insure.

OBEDY THE LAW

Houston First requires that those who do business with the entity must obey all local, state and federal laws applicable to its involvement with HFC. This requirement extends to all vendors (including partners and agents) in all dealings with Houston First. Any allegations of criminal and civil violations related to Houston First or the City of Houston will be monitored. Violations of applicable laws may result in disciplinary action by Houston First.

DISCLOSE RELATIONSHIPS WITH BOARD MEMBERS

Chapter 176, Texas Local Gov. Code requires that vendors that contract or seek to contract with Houston First disclose certain business relationships with any Houston First Board member, executive staff member, or their family members that has resulted in over \$2,500 in taxable income within a 12-month period. If such a business relationship exists, the vendor is required to file a Conflict of Interest Questionnaire form with Houston First that will be posted on the organization's website. Failure to comply with this requirement is punishable as a Class C misdemeanor and may jeopardize a vendor's contract status with Houston First.

REFRAIN FROM GIFTS TO BOARD MEMBERS AND STAFF MEMBERS

Gifts to Board members from vendors who do business or seek to do business with Houston First are potentially very problematic. Gifts can give the impression of an effort to unduly influence a decision relating to the vendor. Receipt of certain gifts from vendors with a value in excess of \$50 is prohibited for Board members and HFC staff. Further, Chapter 176, Texas Local Gov. Code requires a vendor who has given a gift of \$100 or more within a 12-month period to a Board member, executive staff member, or their family members to file a Conflict of Interest Questionnaire form with Houston First that will be posted on the

¹ The term **Vendor**, as used in this Code of Conduct, means any person or entity who enters or seeks to enter into a contract with Houston First.

² Houston First reserves the right, following appropriate due process, to take **punitive action** against any vendor who violates this Code of Conduct. Such punitive action may take a variety of forms, including, but not limited to, disqualification, sanctions or termination of an existing contract.

organization's website. Failure to comply is a Class C misdemeanor and may jeopardize a Vendor's contract status with Houston First. HFC discourages any gifts to its Board members or executive staff.

STRIVE TO MEET SMALL BUSINESS/DISADVANTAGED BUSINESS CONTRACT GOALS

Houston First is dedicated to promoting the growth and development of minority, women and small and historically underutilized business by providing robust opportunities to participate in its procurement and service contracts. Houston First is committed to maintaining a strong Diversity Program that provides opportunities and fairness in all its contracts. Toward that end, vendors are expected to understand and strive to participate fully in achieving the goals of the Diversity Program. Improper conduct under the Diversity Program or failure to follow the program guidelines could result in the imposition of sanctions.

OBEY PROCUREMENT RULES ON LOBBYING AND IMPERMISSIBLE CONTACT WITH HOUSTON FIRST BOARD/STAFF

It is customary for a Houston First Bid Solicitation or Request for Proposal or Request for Qualifications to have certain restrictions relating to contact by bidders or proposers with HFC. One such restriction is a "*blackout*" time period when bidders and proposers are prohibited from contacting Houston First Board members or staff (other than the designated representative) about the procurement solicitation. Vendors must strictly adhere to this prohibition. In all situations, the lobbying of Board members is highly discouraged and may lead to disqualification of a vendor's bid or proposal.

BE TRUTHFUL IN REPRESENTATIONS MADE DURING PROCUREMENT SOLICITATION

It is expected that all bidders and proposers will put their best foot forward in making their best response to a solicitation. However, be *truthful*. Do not misrepresent the facts. Houston First will, as a matter of course, check bid and proposal submissions for accuracy and conduct background inquiries to verify information presented to it. Fraud and false or fraudulent statements or acts are strictly prohibited during the procurement solicitation or contract performance.

REPORT MATERIAL CHANGES IN YOUR BID, PROPOSAL OR CONTRACT

Houston First requires that any material changes to a submitted bid, proposal, or an existing contract must be reported promptly. A material change is a change in facts, representations, or circumstances that may have significant impact on the evaluation of the bid, proposal, or the performance of the contract. Failure to report a material change may impact the Vendor's status with HFC.

UTILIZE DUE PROCESS PROCEDURES FOR BID PROTESTS AND DISPUTES

Houston First has developed procedures for bidders and proposers to submit any protest or grievance regarding the solicitation process. Vendors are encouraged to utilize these procedures. Such procedures must be exhausted before any dispute can be submitted to the Board of Directors.