



WESTGATE RESORT

Vendor Name: _____

Standard Terms and Conditions

Effective date 01/14/16

GOODS

The general terms and conditions set forth below are deemed to be incorporated into and a material part of any agreement or purchase order executed between CFI and Seller (Subcontractor and Seller are interchangeable in Section I) for goods. References to CFI herein shall be deemed to mean CFI, Westgate Resorts, Ltd., or any of their related and affiliated entities as set forth in the applicable agreement or purchase order.

1. Applicability

These general terms and conditions are incorporated into and apply to all purchases of goods.

2. Formation of the Agreement

This order is CFI's offer to Seller and acceptance by Seller is limited to the terms of this offer. CFI objects to any additional terms stated in Seller's acceptance. Acceptance may be by prompt written acknowledgment or by beginning performance. Seller's acceptance of this order creates a binding contract between Seller and CFI ("this contract or purchase order"), which shall be governed by the terms and conditions of this order.

3. Modifications

None of the terms and conditions of this purchase order may be contradicted, modified, supplemented, explained, waived or rescinded except as provided in this Contract or in a written agreement signed by both parties. Only an authorized CFI purchasing representative may sign on behalf of CFI. Vendor expressly assumes the duty to ensure that a duly authorized purchasing representative of CFI executes the purchase order as well as any changes or revisions thereto.

Initial _____ Date _____

4. Delivery

Seller will strictly adhere to the delivery and completion schedule specified in this Contract. If, at any time, Seller believes it may be unable to comply with the delivery or completion schedules, Seller will immediately notify CFI in writing of the probable length of any anticipated delay and the reasons for it, and will provide CFI with a written recovery schedule. It shall be in CFI's sole discretion to determine whether it will permit a delayed shipment of goods or whether it will determine if the Seller has materially breached the purchase order. If CFI permits the delayed shipment of goods by the Seller, then Seller will continue to notify CFI of any material change in the situation. If the Seller fails to deliver goods within the delivery schedule, CFI may require Seller to ship goods, at Seller's expense, by airfreight or expedited routing. In every respect, time is of the essence for the timely delivery of conforming goods.

- A. The goods, products and materials included in the purchase order will be delivered in accordance with the delivery schedule agreed upon by CFI and Seller. Seller shall not deliver goods, products and materials in advance of the delivery schedule without the express written authorization of CFI. In the event that Seller ships goods, products or materials in advance of the delivery schedule, CFI reserves the right to return, with shipping charges to be reimbursed by Seller, or to store at Seller's expense all such goods, products and materials received by CFI in advance of the schedule. In the event that Seller over ships goods, products or materials in an amount greater than five percent (5%) of the quantity called for in the purchase order, CFI reserves the right to return, with shipping charges to be reimbursed by Seller, or to store at Seller's expense all such quantities received in excess of five percent (5%) above the quantities called for in the purchase order. Alternatively, CFI may provide written notification to Seller that it shall accept the over shipment and pay for the excess quantity. If the Seller ships an excess quantity that is less than five percent (5%) greater than the amount called for in the purchase order, CFI may accept the excess quantity and no equitable adjustment will be made in the purchase order.
- B. All goods provided pursuant to purchase orders must be new. No goods, which are reconditioned, rehabilitated or remanufactured, are acceptable under this purchase order unless CFI expressly agrees in writing to accept such goods.
- C. It is the responsibility of the Seller to ensure that all goods are appropriately packed to ensure safe delivery. Seller shall use those packing requirements recommended for the shipped product by the manufacturer. The Seller is responsible for the safe delivery of goods and products to the specific location on CFI property as directed and instructed by CFI either in the purchase order or in a separate written communication.
- D. In the event that the Seller desires to fulfill all or part of the purchase order by importing bids, products or materials from foreign countries or foreign territories, Seller expressly acknowledges that it is responsible for complying with all applicable federal or state laws and tariffs concerning the importation of such goods, products and materials and that it is not, in any manner whatsoever, acting as an agent of CFI for the importation of such products, goods and materials.

Initial _____ Date _____

5. Acceptance, Rejection, and Correction of Deficiencies

- A. CFI will accept or give notice of rejection of goods delivered within 90 days of receipt of goods. Acceptance is not conclusive as to latent defects, fraud, or gross mistakes amounting to fraud.
- B. Goods. If Seller tenders nonconforming goods, CFI may, at its option, require Seller to replace or correct the goods, at no increase in contract price. Seller shall not tender for acceptance corrected or rejected goods without disclosing the former rejection or requirement for correction, and, when required, will disclose the corrective action taken. Unless Seller corrects or replaces nonconforming goods within the delivery schedule, CFI may require their delivery and make an equitable price reduction.
- C. This section applies to correct or replacement goods in the same manner as to goods originally delivered.

6. Damages

Seller acknowledges and agrees that CFI may suffer consequential damages in the event that Seller either fails to timely deliver the goods or delivers non-conforming goods. Seller understands and acknowledges that CFI is in the resort development business and is specifically involved in the highly competitive timeshare resort industry. The failure of the Seller to timely deliver goods or to deliver conforming goods may result in disruption in CFI's resort construction schedules, failure to timely deliver completed resort units to purchasers, lost sales, lost interest, increased construction costs due to delay and such other and similar consequential damages that may flow from the Seller's failure to comply with its responsibilities under this Purchase Agreement. Seller expressly agrees to be liable for all such consequential damages.

- A. Supplier shall reimburse CFI/Westgate Resorts for any out of pocket expense due to theft, property damage or criminal act by their workers while in service of CFI/Westgate Resorts.

7. Warranty

- A. Goods. Seller expressly warrants that all goods delivered pursuant to the purchase order shall be merchantable and fit for the particular purpose for which they were ordered. Any and all of the Seller's promotional literature, sales literature, advertising and product brochures are expressly incorporated into this warranty.
- B. This warranty additionally covers both the manufacture and operation of the goods and shall be in effect for a period of one-year following the receipt of the goods at CFI's premises. In the event that the Seller provides a warranty, which, in any respect, is longer in duration or of greater scope, that warranty shall be in addition to the express warranty contained in this paragraph.
- C. If Seller breaches this warranty, CFI may, at no increase in contract price (i) require Seller to promptly repair or replace, at Seller's election, defective or nonconforming goods; (ii) require Seller to promptly furnish materials or parts and installation instructions required to

Initial _____ Date _____

successfully accomplish the correction of defective or nonconforming goods, and equitably reduce the contract price to account for the cost of removal and installation; (iii) require Seller to promptly redesign defective or nonconforming goods not manufactured pursuant to designs furnished by CFI and require Seller to promptly repair or replace goods manufactured in accordance with such defective design or (iv) equitably reduce the contract price.

- D. Notwithstanding any disagreement regarding the existence of a breach of this warranty, Seller will comply with CFI's direction to (i) repair or replace within ten business days, at the Seller's election, the goods or (ii) furnish materials or parts and installation instructions required to successfully repair the goods. If it is later determined that Seller did not breach this warranty, the contract price will be equitably adjusted.

8. Changes

CFI may, at any time, by written order signed by its authorized purchasing representative, and without notice to sureties, if any, make changes within the general scope of this contract in any one or more of the following: (i) drawings, designs, or specifications; (ii) method of shipment or packing; (iii) place of delivery or (iv) delivery schedule.

9. Invoice and Payment

- A. For each shipment of goods, Seller shall submit one (1) original invoice marked "original" to the CFI Accounts Payable Department to the appropriate "Bill To" Address identified on the Purchase Order.

CFI/Westgate Resorts Ltd.
P. O. Box 690669
Orlando, Florida 32869

- B. Taxes and freight, if any, must be separately itemized. The Purchase Order number (PO No.), line item number(s), line item descriptions, quantities, unit prices, extended line item prices, and the total price must appear on all invoices, shipping documents, quality certificates and packing sheets.
- C. Determination of payment due date, whether under net or discount terms, will be based on the latest of (i) the date goods are received; (ii) the date provided in this contract for receipt of goods or (iii) the date an accurate invoice is received in the Accounts Payable Department specified elsewhere in this contract.
- D. Payment will be deemed to have been made when deposited in the mail.

10. Termination for Convenience

- A. CFI may terminate performance of work under this contract, at any time, in whole or, in part, by delivering to Seller a notice of termination specifying the extent of termination and the immediate effective date. CFI shall not be liable for any cost incurred after the date of termination.

Initial _____ Date _____

11. Termination for Default

- A. CFI may, by written notice of default to Seller, terminate this contract immediately in whole or in part (i) if Seller fails to deliver goods or to perform services within the time specified by this contract or any written extension; (ii) if Seller fails to perform any other provision of this contract or fails to make progress, so as to endanger performance of this contract, and, in either of these two circumstances, does not cure the failure within ten business days after receipt of notice from CFI specifying the failure; or (iii) in the event of Seller's suspension of business, insolvency, institution of bankruptcy, liquidation proceedings by or against Seller, appointment of a receiver for Seller's property or business, or any assignment, reorganization, or arrangement by Seller for the benefit of its creditors.
- B. Seller will continue work not cancelled.
- C. If CFI cancels this contract in whole or in part, CFI may require Seller to transfer title and deliver to CFI, as directed by CFI, (i) any completed goods, and (ii) any partially completed goods and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (collectively, "manufacturing materials") that Seller has specifically produced or acquired for the cancelled portion of this contract. Upon direction from CFI, Seller will also protect and preserve property in its possession in which CFI has an interest.
- D. CFI will pay the contract price for goods accepted. Payment for manufacturing materials accepted by CFI and for the protection and preservation of property will be at a price determined in accordance with Article 8 hereof entitled "Changes", except that Seller will not be entitled to profit.

CFI may withhold from any amount due under this contract any sum CFI determines to be necessary to protect CFI against loss because of outstanding liens or claims of form lien holders.

- E. In the event of termination for default, Seller shall be liable for all costs incurred by CFI in procuring substitute conforming goods so as to fulfill the requirements of the purchase order.

12. CFI Property

Seller will clearly mark, maintain an inventory of, and keep segregated or identifiable all CFI property and all property to which CFI acquires an interest by virtue of this contract. Seller assumes all risk of loss, destruction, or damage to such property while in Seller's possession, custody, or control, and will not use such property other than in performance of this contract without CFI's written consent. Seller will notify CFI if CFI property is lost, damaged, or destroyed. As directed by CFI, upon completion, termination, or cancellation of this contract, Seller will deliver such property, to the extent not incorporated in delivered end products, to CFI in good condition subject to ordinary wear and tear and normal manufacturing losses.

Initial _____ Date _____

13. Nondisclosure

Neither party will, without the prior written consent of the other, reproduce, use, or disclose to any employee or third party any proprietary information or data furnished by the other party, except as required to perform this contract. Any information or data must be clearly marked as proprietary to qualify for nondisclosure. This restriction does not apply to information or data: (i) in the public domain through no breach of this contract by the recipient, (ii) otherwise known to the recipient at the time of receipt without restrictions as to use or disclosure, or (iii) acquired by the recipient from a source other than the disclosing party that has the right to disclose such information to the recipient. Seller will not advertise, issue press releases or otherwise make publicly known, that it is a supplier to CFI of goods without the express written permission of CFI.

14. Patent, Trademark, Copyright, and Mask Work Indemnity

Seller agrees to indemnify and hold harmless CFI against any expense, loss, or liability for any actual or alleged infringement of any patent, trademark, copyright, or mask work arising from or related to the use, sale, manufacture, disposal, display, or reproduction of goods purchased. Upon timely receipt of notice of any claim or suit alleging such infringement, Seller agrees to defend CFI at Seller's expense. Seller is excused from its duties under this Article if such actual or alleged infringement would not have arisen but for Seller's compliance with CFI's detailed design.

Seller will promptly disclose to CFI in writing any invention, works or authorship, improvement, development, discovery, or mask work conceived or reduced to practice by Seller, either solely or in collaboration with others, using funds paid by CFI under this contract.

Seller will assign all such inventions, works of authorship, improvements, developments, discoveries, architectural and design drawings or mask works of CFI.

Seller will execute all documents and do whatever is reasonably necessary to ensure that CFI will obtain full title to such inventions, works of authorship, improvements, developments, discoveries, or mask works and to enable CFI to secure copyright protection or to file and prosecute applications for patents at CFI's expense.

15. Subcontracting and Assignment

- A. Without CFI's written consent, Seller will not delegate any duty of performance or subcontract for design, development, or procurement of any substantial portion of goods under this contract. This limitation does not apply to Seller's purchases of standard commercial supplies or raw materials.
- B. Except as hereinafter provided, neither this contract, nor any duty, right, nor interest therein may be delegated, assigned, or otherwise transferred in any manner by Seller without the prior written consent of CFI. Any attempted effort to the contrary will be void and CFI may cancel this contract.

Initial _____ Date _____

Either party may, upon notice to the other, assign this contract to any person, firm, or corporation with which such party may merge or consolidate or to which such party may assign substantially all of its assets, and either party may assign claims for monies due or to become due hereunder to any bank, trust company, or other financial institution, including any governmental lending agency. The assigning party will furnish the other party with two signed copies of any such assignment and such other documents that may be reasonably required by the nonassigning party.

- C. Seller agrees that no subcontract placed under this contract shall provide for payment on a cost-plus-a-percentage of cost basis.

16. Suspension of Work

CFI's authorized purchasing representative may, by written order, suspend all or part of the work to be performed under this contract.

17. Disputes

CFI and Seller expressly agree to the following terms which will govern dispute resolution:

- A. Pending final resolution of any dispute arising under, related to, or involving the purchase order, Seller agrees to proceed with the performance of the purchase order, including the delivery of goods, products and materials, in accordance with CFI's instructions. Seller's failure to proceed in accordance with CFI's instructions shall be considered a material breach of the purchase order.
- B. In the event that CFI is required to institute any legal proceedings because Seller has failed to timely deliver goods, delivered non-conforming goods which are not corrected and/or to recover consequential damages, then CFI will be entitled to recover its reasonable attorney's fees and costs both at the trial and appellate level. Venue for any dispute shall be in the appropriate state court having jurisdiction of said matter in the Ninth Judicial Circuit, in and for Orange County, Florida.

18. Applicable Law

This contract will be governed by and construed in accordance with the laws of the State of Florida.

19. Waiver and Severability

Any action or inaction by CFI or the failure of CFI, on any occasion, to enforce any right or provision of this contract will not be construed to be a waiver by CFI of its rights hereunder and will not prevent CFI from enforcing such provision or right on any future occasion. A determination that any portion of this contract is unenforceable or invalid will not affect the enforceability or validity of any of the remaining portions of this contract.

Initial _____ Date _____

20. Rights and Remedies

The rights and remedies of the parties set forth in this agreement are cumulative and in addition to any other rights or remedies that they may have at law or in equity, CFI may offset any damages resulting from a breach of any agreement between CFI and Seller against the price due under any other such contract.

21. Compliance with Statutes and Regulations – Supplier Acknowledgements, Warranties, and Certifications

- A. Seller will comply with all applicable state and federal statutes, government rules, regulations, and orders, as well as any applicable county and city ordinance.
- B. Seller specifically warrants and represents that it has complied, and will continue to comply with Sections 274A-274C of Immigration and Naturalization Act and with the Immigration Reform and Control Act of 1986 ("IRCA") and the Immigration Act of 1990 and the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 ("IIRIRA") all referred to the INA as amended when providing contractual labor services for CFI-Westgate Resorts Ltd. or any of its affiliates or subsidiaries (hereinafter "CFI"). Supplier is responsible for obtaining criminal background checks on all employees prior to assigning them to work at CFI.
- C. Seller further warrants and represents that it has fully complied with all I-9 verification procedures and that it has properly verified documentation for the identity and work authorization or eligibility of all individuals, whether U.S. citizens or not, offered to CFI-Westgate Resorts as part of its multi-services contract, as required by all applicable federal laws.
- D. Supplier shall indemnify and hold harmless CFI and any of its affiliates, or subsidiaries, directors, officers, employees, timeshare owners, guest or visitors for any criminal act whether intentional or not by their workers on CFI property.
- E. Seller acknowledges that compliance with the provisions of Section 21 is a material term of this Agreement and any violation or non-compliance by Seller of the undertakings, representations and warranties in this Section 21 will constitute a material breach of this Agreement, excusing any and all performance by CFI. The Seller further agrees that CFI can and will immediately cancel this Agreement, without notice, should it be discovered, by whatever means, Seller has failed to comply with this section. Furthermore, Seller agrees to indemnify and hold harmless CFI and any of its affiliates, or subsidiaries, directors, officers and/or employees for any and all claims, damages, fines or penalties assessed against CFI or any of its affiliates or subsidiaries by any governmental authority due to Seller's noncompliance with this section. Seller shall personally guarantee continuing and ongoing compliance of all State and Federal Laws.

Initial _____ Date _____

22. Insurance

If, in the performance of this contract, Vendor's employees, with or without equipment, are required to enter premises owned or controlled by CFI – Westgate Resorts, or the owner, Vendor shall maintain Workmen's Compensation, Comprehensive Public Liability, and Property Damage including Automobile Public Liability and property damage coverage's in amounts, form, and with carriers satisfactory to CFI – Westgate Resorts Ltd. Vendor including any vendor lower tier subcontractors performing work on-site at any CFI – Westgate Resorts property shall maintain comprehensive general liability insurance, worker's compensation insurance, and Automobile Insurance in a form and amount acceptable to CFI at the time that the purchase order is executed prior to performance of work in the amounts specified below:

- A. Comprehensive General Liability – The Vendor shall provide coverage for all operations and services including, but not limited to contractual, products, and completed operations and personal injury. The limits must be \$ 2,000,000 minimum combined single limit (CSL) or its equivalent.
- B. Workers' Compensation Insurance- The Vendor shall provide workers compensation for all employees. The limits shall be statutory for workers compensation and \$ 100,000 for Employer's liability.
- C. Comprehensive Automobile Insurance – The Vendor shall provide coverage for owned and non-owned vehicles for limits of not less than \$ 1,000,000 combined single limit (CSL) or its equivalent.

Vendor's Certificate of Insurance shall be with a published "BEST" Rated Insurance Company with an "A" Rating. Vendor shall provide to CFI, at the time the purchase order is executed, all certificates of insurance and such other proof of insurance as is necessary to satisfy Vendor's insurance obligations under this paragraph. The Certificate of Insurance shall include the following statement:

“Central Florida Investments, Inc., its parents, their subsidiary, related, and affiliated companies, and their officers, directors, agents, and employees of said companies as additional insured”

The certificate shall show the subject policy has been endorsed to provide thirty (30) days cancellation notice to CFI. The Policy expiration date shall appear on the Certificate of Insurance. Notification of the policy expiration date and "Will endeavor" and "failure to mail such notice shall impose no obligation or liability upon the company" statements shall not relief the Vendor's contractual obligation to provide and maintain valid General Liability, Worker's Compensation, and Automobile Insurance in the amounts specified above. An attachment stating which coverage's the excess liability policy applies to shall also be provided.

23. Precedence

In the event of any conflict between the terms and conditions contained herein and any terms and/or conditions contained within the agreement or purchase order or any attachments thereto, the terms and conditions contained herein shall prevail.

Signature: _____ Date: _____