



VENDOR MANAGEMENT PROGRAM GUIDELINES

(Revision Date 01/01/2024)

SECTION 1 – INTRODUCTION & PROGRAM OBJECTIVES

The “**Company**” values the contributions of all Vendors and Subcontractors that deliver goods and/or services to our various business units. The relationship is important, as mutual success depends on the quality and commitment of the “**Company**” and its Vendors and Subcontractors. For this reason, we have established guidelines intended to create a disciplined framework for the expectations the “**Company**” has for the working relationship with all its Vendors and Subcontractors.

Throughout these Guidelines, the reference to the “**COMPANY**” shall refer to jointly as **Mitch Cox Construction, Inc., Cox Property Management, Inc. and Cox Universal Group, Inc.** By developing these guidelines, the company's intention is to eliminate any confusion about the goals and expectations up-front, while hoping to develop a lasting relationship with our Vendors/Subcontractors. The wishes to align itself with like-minded businesses that are committed to mitigating risks, improving service, delivering quality, creating efficiencies, while supplying the opportunities for the company and its Vendors and Subcontractors to succeed.

On behalf of our company, we thank you in advance for your efforts to support us in better servicing our clients by supporting us.

SECTION 2 – VENDOR & SUBCONTRACTOR SELECTION & DUE DILIGENCE

As part of a more comprehensive due diligence process in selecting preferred Vendors and Subcontractors, certain criteria are considered and may include but is not limited to the following:

- Cost of Product(s) or Service(s)
- “Best Fit” in meeting strategic goals and objectives of the company.
- Mitigating Risk Exposures.
- Complexity, materiality and uniqueness of product(s) or services.
- Business relationships, past performance, referrals, and feedback.
- Financial conditions and reputation of Vendor / Subcontractor.
- Company's confidence in the Vendor / Subcontractor.

There are many other potential factors that could lead to selection decisions. Regardless, we value all prospective Vendors and Subcontractors and greatly appreciate their interest in serving our company.

SECTION 3 – INSURANCE REQUIREMENTS

Managing risk exposures is a component of managing a successful business and we value our business partners that share these same values. To ensure that the Company and its “Vendors and Subcontractors” are working together to mitigate these shared risks, the Company has developed and implemented minimum insurance requirements for all Vendors and Subcontractors servicing our various business units. The required insurance coverage and prescribed limits, along with the proper policy endorsements evidenced by the appropriate Insurance certificate as part of the required Vendor and Subcontractor setup process. The vendor setup processes are fully outlined in the “Vendor Setup Procedures” section of this program guide.

The minimum Vendor and Subcontractor Insurance Requirements are as follows:

- **General Liability Policy** - Shall provide for a \$1M Per Occurrence / \$2M General Aggregate Limit (Completed Operations, including Personal and Advertising Injury) Cox Universal Group, Inc., Mitch Cox Construction, Inc. and Cox Property Management, Inc. shall be the named as a “Certificate Holder” on all Vendor and Subcontractor Certificates of Insurance. The Certificate of Insurance should be endorsed to include Cox Universal Group, Inc., Mitch Cox Construction, Inc. and Cox Property Management Company, Inc. as an “Additional Insureds” (See “Sample Certificate” included as an addendum for reference)
- **Workers Compensation** – Any commercial Vendor and Subcontractor performing services on a company owned, managed, or otherwise controlled premises or worksite shall maintain a workers compensation policy. This policy shall be in accordance with the laws of the state(s) in which the Vendor or Subcontractor operates. This policy shall be



properly endorsed to include Employer's Liability. The said policy shall be endorsed with a "Waiver of Subrogation" in favor of the "Certificate Holder", which shall list Cox Universal Group, Inc., Mitch Cox Construction, Inc., and Cox Property Management Company, Inc.

- **Other Liability Insurance** – Other To the extent that the Subcontractor's work includes design services, The Subcontractor shall evidence professional Errors and Omissions coverage with a minimum limit of \$1M combined single limit.
- **Commercial Automobile Insurance** – Shall be required for all commercial Vendors and Subcontractors performing services on-site at a company owned, managed, or otherwise controlled premises or worksite. This policy shall minimally provide for a \$1M limit.
- **Excess Liability** - Excess Liability coverages and limit if any will be determined on a case-by-case basis based on the type of services and scope of work performed by the Vendor or Subcontractor.
- **Pollution** – If deemed applicable, a Subcontractor may be required to carry Contractor's Pollution coverage with minimum limit of \$1M. This coverage will be evaluated based on the nature and scope of the work being performed on a case-by-case basis.
- **XCU** – Explosion, Collapse and underground (property Damage Hazard) coverage will be assessed on an individual basis based on the nature and scope of specific work to be performed by Subcontractor.

All subcontractor Insurance shall be placed with insurance carriers with a financial strength rating with A.M. Best of A- VII or better.

Note: All Subcontractors are advised to seek the assistance of their insurance Agent or Broker when preparing and submitting the required Certificates of Insurance along with other Setup Documentation required. This step in the process will enhance the successful submission of the vendor setup package and create unnecessary delays and communications to re-work the submission. A "SAMPLE" Certificate of Insurance has been included as an Addendum to the Vendor Management Program Guidelines.

SECTION 4 – NON-DISCLOSURE

During the selection or bidding process, the "Company" may disclose confidential or proprietary information or documents to a Subcontractor intended to aid the subcontractor in the submission of a timely, complete, and accurate bid. The unauthorized disclosure of such information could damage the "company" and/or create unfair competition. Accordingly, Subcontractors to whom this information is provided shall be subject to this confidentiality and agree to abide by these confidentiality provisions by entering into an agreement to be a Subcontractor in the setup process. This acknowledgment in the Vendor setup agreement may be subject to legal recourse should this standard of confidentiality be breached by their negligence or intentional act(s). In certain instances, and on a case-by-case basis, a formal Non-Disclosure Agreement (NDA) may be requested.

SECTION 5 - SAFETY DATA SHEETS (SDS)

All Vendors and Subcontractors shall maintain a Hazard Communication Program and provide the "company" Safety Data Sheets for any such chemicals or materials delivered to the company or company worksite. This also includes subcontractors using chemicals or hazardous material on a worksite. This provision is intended to assist in maintaining awareness and compliance with the OSHA Hazard Communication Standard 29 CFR 1910.1200 and the Globally Harmonized System (GHS) of Classification and Labeling of Chemicals.

SECTION 6 - SAFETY & CONDUCT

All Vendor and Subcontractors shall take all reasonable safety precautions when servicing a company owned, leased, managed or otherwise company-controlled worksite. Vendors and Subcontractors shall comply with all applicable laws, rules, ordinances, regulations, and orders of public authorities. The safety of all employees, visitors, vendors, subcontractors, customers, clients, and other invitees is of the utmost importance. Vendors and Subcontractors shall always conduct themselves professionally and responsibly. Below, are a few basic expectations and not considered to be all-inclusive:



- Non-Discrimination and EEOC compliance. The company has a “zero tolerance” for any form of discrimination within the company or within the companies that we conduct business with. This includes, but is not limited to race, religion, ancestry, national origin, and sex.
- Harassment of any kind will not be tolerated. The “company” is committed to providing and maintaining a workplace free of harassment, intimidation, or retaliation of any kind.
- A Drug-Free Workplace is the right of every employee to work in a safe environment that is free from the illegal possession, use, distribution, or manufacture of any controlled substance. This includes company owned, managed, or controlled worksites. All Vendors and Subcontractors are expected to comply.
- Violence of any kind will not be tolerated.
- It is expected that all Vendors and Subcontractors will adhere to the terms and conditions outlined in this guideline. Any violation of the “company” safety & Conduct Guidelines will be grounds for immediate termination of any existing contract or work order.

SECTION 7 – LOGISTICS

Supply Chain plays a significant role in various aspects of the company’s business operations. Orders placed for general supplies and materials along with on-time delivery are critical to normal day-to-day operations and meeting on-time production goals and objectives. Vendors are expected to manage these obligations and commitments that are timeline driven. All supply chain solutions are expected to be driven by efficient and cost-effective solutions.

Shipment of Product or Materials – In an effort to avoid unnecessary or unexpected cost, Ship-payment terms for all orders shipped to a company location or worksite shall be shipped “FOB, Destination, Freight Prepaid” unless otherwise agreed to in writing by the “Company”. Under no circumstance will a vendor shipment be shipped “Prepaid & Add”. All freight billed to the company shall be “Freight Prepaid” included in the cost quoted to the company. Failure to ship by unauthorized terms can result in a deduction to vendor invoice if not agreed upon in advance of shipment or when purchase order or work order is confirmed.

Common Carriers -Shipments for the “company” shall be tendered on a “prepaid” basis to common carriers. Any accessorial charges for the tendered shipment shall be factored in the cost quotes to the company and billed to vendor unless otherwise agreed upon by the company.

SECTION 8 – CONTRACTED GOODS & SERVICES

Certain Vendors and Subcontractors by the nature of the goods and services along with scope of work will work exclusively under contract. As such, it is critically important that the duties and obligations of these agreements are clearly understood. It is therefore the duty of both parties to clearly outline the scope of the work to be performed so that all expectations are satisfied. Contract elements to consider may include but are not limited to the following; Scope of Work, Clear and measurable standards, key performance indicators, reports and information dissemination, security, confidentiality and other controls, business interruption and contingency plans, cost of service, licensing, permitting, bonding and other regulatory obligations, dispute resolution, liability limits and indemnification, assignment of rights under the contract, contract termination clause, etc.

SECTION 9 – VENDOR AND SUBCONTRACTOR INVOICES AND LIEN WAIVERS

Subcontractor and Vendor Invoices shall contain the following: (1) Unique Invoice Number, (2) Purchase Order Number (if applicable), (3) Invoice Date, (4) Service(s) Date, (5) Project Name and Address, (6) Description of Services.

All Invoices that include billing for materials and labor shall be separated into the following invoicing categories, which will be **Materials or Labor**. If an invoice includes both material and labor, it shall not be invoiced as a single line item and classified as Material & Labor. When the invoices are designated as indicated, the “Company” can be exposed to additional insurance premiums for exposures misclassified in the Subcontractor/Vendor invoicing.

Subcontractors and Vendors should understand that the Company reserves the right to utilize Lien Waivers. These Lien Waivers are used to release a lien on a property when a Subcontractor or a Materials Supplier is paid for either goods or services or a combination of both when rendered. These Lien Waivers will be required for any project participation by a Subcontractor or Materials Vendor when the aggregate anticipated invoicing will exceed \$10,000. The Company will utilize both “Waiver of Lien to Date” and “Final Waiver of Lien”. The Waiver of Lien to Date will be utilized as requests for payment



are processed periodically throughout the life of the project, while the “Final Waiver of Lien” will be utilized upon final payment processing on the project.

Subcontractors and Materials/Supply Vendors need to be familiar with these Lien Waivers and submit properly completed and executed Lien Waiver Forms with all requests for payment by the Company for materials and/or services. The Company Project Manager responsible for the project will provide the Subcontractor/Vendor the proper project designation to be recorded on the Lien Waivers for the project. (Sample Lien Waiver Forms are included as in this guide for reference)

SECTION 10 – WARRANTY OF GOODS / MATERIALS

The Vendor and Subcontractor shall represent and warrant that all goods and/or materials that it may provide are merchantable as represented by the manufacturer and are fit for the purpose they are intended.

SECTION 11 – HOLD HARMLESS AND INDEMNIFICATION (SUBCONTRACTOR)

The work by a Subcontractor shall be at the risk of the Subcontractor exclusively. To the fullest extent permitted by law, the Subcontractor shall indemnify and defend at its sole expense of the Subcontractor and hold harmless the “company”, its owners, partners, joint ventures, representatives, members, designees, officers, directors, shareholders, employees, agents, successors and assigns(indemnified partners)from and against any and all claims for bodily injury, death, damage to property, demands, damages, actions, causes of action, suits, losses, judgments ,obligations, and any liabilities, costs and expenses, including but not limited to investigative and repair costs, attorney fees and costs, consultant fees and costs and claims which arise from or are in any way connected with work performed, materials furnished, or services provided under any written or verbal agreement for services or materials supplied to the “company”, to include work or service performed by its employees or agents, whether active or passive. The said indemnity and defense obligations shall further apply, whether said claim arises out of concurrent act, omission, or negligence of the indemnified party(s), whether active or passive. The Subcontractor shall not be obligated to indemnify and defend the “company” for claims found to be due to the sole negligence or willful misconduct of the indemnified parties.

The Subcontractors indemnification and defense obligations hereunder shall extend to claims occurring after any agreement is terminated as well as while it is in force and shall not end until it is finally adjudicated that all actions against the indemnified parties for such matters which are indemnified hereunder are fully and finally barred by applicable laws.

SECTION 12 – VENDOR PERFORMANCE & COMPLIANCE

Internal Vendor and Subcontractor reviews are performed periodically for the purpose of qualifying a vendor’s service performance. Being responsive and taking the appropriate follow-up actions when warranted is a key factor in maintaining a current vendor status. Requested for updated information such as current insurance certificates along with other pertinent updated information inquiries is critical to remaining on the “approved vendor list”. Vendor contact information such as contact name, current email contact and physical business and remittance addresses is critical and the obligation of the Vendor to update us in any of the following changes:

- Business Name Change
- Current W-9
- Current Insurance Certificate
- EFT Changes
- Addresses
- Contact Name
- Email & Phone Numbers



The company must have updated information to maintain contact, communications and ensure payments are processed to each Vendor and Subcontractor as intended and on a timely basis to terms.

SECTION 13 – VENDOR SETUP SUBMISSION PROCESS & PROCEDURE

The company encourages direct contact with any Vendor & Subcontractor Management questions. Please feel free to email any question or concern to vendors@coxuniversalgroup.com by calling Corporate Risk Management at (423)282-6582.

All inquiries will be responded to in a timely fashion and every effort will be made to assist current and prospective Vendors or Subcontractors in expediting a response to inquiries.

VENDOR / SUBCONTRACTOR SETUP PROCESS

1. Go to Company Website at www.coxuniversalgroup.com and learn about our company.
2. Complete The Vendor Setup Form/Agreement. This Form is the same for Supply Vendors and Subcontractors. Please make sure the information is complete, legible and signed & dated. This form is available on-line and a SAMPLE is attached.
3. Complete the Federal W-9 Form. The Blank W-9 Form is available on-line along with complete instructions and a SAMPLE is attached. Please be sure to complete the form accurately so your tax status is properly recorded in our vendor master and payment system. Incomplete forms will not be accepted.
4. Provide your Insurance Agent/Broker with the proper insurance requirements so they can properly produce the required proof of insurance for the proper coverages, limits and policy endorsements needed. Providing your Agent/Broker a link to website listed to access the vendor management guidelines will ensure they can properly provide proper guidance regarding the requested coverage and endorsements.
5. Once the Vendor Setup Form/Agreement, W-9 and Insurance Certificates are complete, SEND all three required documents via email to VENDOR EMAIL, vendors@coxuniversalgroup.com.
6. Upon Review of the Vendor Submission, you will receive a confirming email of acceptance or notification of the deficiency(s) needing attention. Defective submissions will only be held for fifteen days following notice before discarded and new completed submission is required.
7. If a Non-Disclosure or any other requirement is necessary based on the service or work to be performed, you will be notified accordingly.

VENDOR MANAGEMENT CONTACT INFORMATION

Cox Universal Group, Inc.
ATTENTION: Risk Management Department
2304 Silverdale Drive, Suite 200
Johnson City, Tennessee 37601
Telephone (423)282-6582
vendors@coxuniversalgroup.com

SECTION 14 – VENDOR MANAGEMENT PROGRAM GUIDELINES ADENDUMS

- SAMPLE VENDOR SETUP FORM/AGREEMENT
- SAMPLE LIEN WAIVER FORMS (2)
- FEDERAL W-9 FORM & INSTRUCTIONS
- SAMPLE CERTIFICATE OF INSURANCE

