

## **Health Care Professional Travel and Expense Reimbursement Policy**

### **1. Purpose**

United USA INC. (“United”) recognizes that Health Care Professionals (“HCPs”) doing business on behalf of United may be required to travel and incur expenses in connection with the performance of services requested by United.

The purpose of this Health Care Professional Travel and Expense Reimbursement Policy (the “Policy”) is to provide guidance and manage expectations regarding expense reimbursement, and in some cases compensation, incurred by HCP traveling at the request of United. Such expenses can arise out of the performance of services as governed by an HCP’s written agreement with United, as well as attendance by HCPs at product education and training meetings hosted by United. This Policy is intended to ensure that a) adequate cost controls are in place; b) travel and related expenditures are appropriate; c) applicable code of ethics and transparency reporting requirements are strictly followed; and d) a uniform and consistent approach for the timely reimbursement of authorized HCP expenses exists.

United has formulated this Policy to ensure that any travel related arrangements are consistent with company policy, applicable federal, state, and local laws, as well as industry code(s) and applicable guidelines (*e.g.*, AdvaMed, Eucomed, *etc.*). We review this Policy regularly to meet the ever evolving global compliance regulations. In the event that any provision contained in this Policy conflicts with any law applicable to United and/or any HCP, United shall comply in all respects with such law.

### **2. Scope**

This policy applies to all HCPs a) authorized by United to engage in consulting, development, education, and/or clinical services on behalf of United; and b) attending United hosted product education and training meetings.

### **3. Overview**

During the course of United requested business travel, United will reimburse the HCP for reasonable travel related expenses such as airfare, meals, lodging, and ground transportation pursuant to the terms and provisions contained in this Policy. Travel will be undertaken only by HCPs for whom there is a *bona fide* documented and reasonable business purpose for such travel. If the travel is related to the performance of consulting services, travel compensation and/or expenses cannot be paid unless:

1. a fully executed agreement between the HCP and United is in effect; and
2. the services to be completed by the HCP have been clearly outlined in a Service Request Letter (“SRL”) and approved via signature by both the HCP and United.

All travel plans must be pre-approved and arrangements booked by authorized United personnel unless otherwise agreed in writing. The duration and destination of any United funded HCP travel must align with the planned meeting or consultation. In determining the reasonableness and necessity of travel, United will consider:

- a. location of meeting/service;

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- b. travel dates and times;
- c. duration of the trip;
- d. class of travel; and
- e. cost.

Compensation for all travel time, if applicable, will be consistent with the terms and conditions of the HCPs United Agreement and corresponding SRL. Travel time will be paid at one-half the HCP's hourly rate set out in the HCP's United Agreement. Travel time compensation shall be subject to a daily cap as set out herein and shall be paid for the time spent traveling from the HCP's home/office to the destination hotel/site including delays if the arrival time at the final destination is adversely affected by such delay. If the HCP is traveling to attend a company sponsored meeting and no services have been requested by United, no travel time will be paid.

### **3.1 Expenses in Violation of U.S. Anti-Corruption Laws**

United will not provide reimbursement for funds or non-monetary benefits provided to any HCP, foreign official, nor a third-party if there is a high likelihood that any part of the payment or benefit was provided for improper purposes or to gain improper influence or advantage in violation of the U.S. Foreign Corrupt Practices Act.

### **3.2 CME Accredited Courses**

United does not pay for or reimburse any HCP travel costs for an HCP when attending a CME accredited course. Notwithstanding the foregoing, in the event an HCP is requested by United to provide services at a CME event which the HCP would not otherwise attend, United may provide expenses reimbursement *as long as* the HCP certifies that he/she will not be attending the event for any other reason than to provide services and that the HCP will not be applying for CME credit in connection with the event. In such instances, HCPs will only be permitted to attend the event for the purpose of providing the services and shall arrive immediately before the provision of services begins and leave the event immediately upon conclusion of the provision of services.

## **4. HCP RESPONSIBILITIES AND USE RESTRICTIONS**

It is the policy of United to reimburse only reasonable and necessary expenses incurred by HCPs personally when traveling on behalf or at the request of United.

*Under no circumstances may an HCP book personal travel of any type through United. United will not pay for or reimburse and HCP for additional or incremental expenses related to spouses, guests, or any other person (e.g., companion airfares or upgrade charges, higher room rates, higher fees for meals, additional dinners, etc.).*

When incurring business expenses, HCPs shall exercise moderation, discretion, and good business judgment with respect to travel expenses and only report those expenses which are supported by the required documentation.

### **4.1 HCP Travel Arrangements**

HCP's must arrange all travel (airfare, lodging, and ground transportation) through authorized United personnel, unless otherwise agreed by United in writing in advance, to ensure:

- travel arrangements are made in compliance with this Policy;

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- United receives location information to support HCPs in the event of a travel disruption; and
- volume discounts with preferred vendors are leveraged.

#### 4.2 Visas and Passports

Consultants traveling internationally should ensure that their passport is current with at least six month validity and three blank visa pages. Consultants may never travel on a tourist visa when traveling on United business, but rather shall obtain a business visa (or the equivalent) as necessary prior to the scheduled departure date. Expenses associated with obtaining a business visa or passport (*e.g.*, certified copies of birth certificates) for United travel are reimbursable, however United will not reimburse for travel insurance, tourist visa, or expedited customs clearance.

#### 4.3 Interaction with United Personnel and Sales Partners

Care should be taken to ensure that the travel being provided to the HCP is not being offered as an unlawful inducement. Specifically, United employees and sales agents/representatives may not, directly or indirectly, offer travel expense reimbursement to any individual in a position to purchase or recommend the purchase of United products as a means to induce the individual or entity to purchase or recommend the purchase of United products.

United, nor anyone acting on United's behalf, shall not bear any cost related to HCP personal expenses (*e.g.*, extended stay, entertainment, gifts, upgrades, nor costs associated with guests or a spouse).

### 5. EXPENSE REIMBURSEMENT

The HCP is solely responsible for the timely submission of travel expenses and for providing full documentation as verification of each expense. In instances where the HCP incurs expenses in the provision of services, United requires a Work Activity Report ("WAR") as documentation of the services performed as set out in United's Services Request Letter ("SRL"), which WAR must be accompanied by *itemized receipts* evidencing all such expenses. All expense reimbursement requests must indicate:

- amount;
- date, origin, destination and purpose;
- description of each company-related activity during trip; and
- name and affiliation of all people for whom expenses are claimed and on whom money was spent in order to conduct United business

United will not fund, reimburse, nor facilitate any activities nor expenses that occur prior to, nor after, the range of days and hours required to complete the bona fide business activity for which United has given approval which approval is documented in advance via an SRL.

Receipts must be emailed to – [Jennifer.smith@unitedorthopedic.com](mailto:Jennifer.smith@unitedorthopedic.com)

#### 5.1 Work Activity Report

When submitting a WAR and accompanying Expense Report, the HCP affirms and certifies:

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- travel time is reported accurately and reflects the actual time spent traveling; and
- time spent traveling did not include completing preparatory work in connection with the services.

## 5.2 Timing of Expense Report Submissions

Expenses will not be required to be reimbursed by United unless an HCP requesting reimbursement submits a completed United Expense Report Form (attached as *Appendix I* hereto) **no later than 30 days** after the completion of travel.

## 5.3 Receipt Documentation

United is responsible for reviewing the travel reimbursement requests submitted by HCP's for United business activities for validity, accuracy, compliance, and appropriate documentation prior to approval of the expenses. The *itemized receipt for each expense must clearly show the vendor's name; location; date; description of services provided; and total expenses, including without limitation tips and gratuities.* If more than one HCP shares an expense (*e.g., taxi, meal, car, etc.*) the name of each HCP must be submitted.

## 5.4 Missing Receipt Substantiation

An HCP should contact the merchant directly to obtain a copy of a missing receipt. If the HCP is unable to obtain a copy, the determination of reimbursement for any such expense shall be made in United's sole discretion.

## 6. AIR TRANSPORTATION

### 6.1 Reservations

Unless other arrangements are made in writing, HCP air travel must be booked through, and directly billed to, United which will present the best available flight options utilizing United "preferred" carrier(s) and taking into consideration HCPs preferences where applicable. Flight itineraries will be chosen considering the following:

1. non-stop routes;
2. lowest possible fare available at time of booking; and
3. flights available within two hours before and two hours after an HCPs requested flight time.

HCPs may not under any circumstances utilize reward miles for a trip and request the dollar equivalent of the fare in reimbursement. Miles *may* be used for complimentary upgrades for which no reimbursement will be made. In the event that such an upgrade requires a higher fare class, the difference in the fare shall be borne by the HCP and not reimbursed by United.

To optimize planning, United requests HCPs complete airfare travel arrangements in advance, a **minimum of:**

- Domestic -10 business days prior to departure date
- International -15 business days prior to departure date

If changes need to be made, United will pay for one change per itinerary, not to exceed:

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- a. Domestic - \$250
- b. International - \$450

**Note:** An HCP may request an alternate carrier in the event that the cost and travel time are substantially similar to (or less than) the United “preferred” carrier flight.

## 6.2 Airfare and Class of Service

Non-refundable Economy Comfort or its equivalent is the default class of service for flights of less than three (3) hours duration. United will book in a class of service that allows for a complimentary upgrade if such class of service is the *least expensive available in Economy Comfort or its equivalent*. All non-stop flight segments three (3) hours or greater in length shall be booked in Business Class, if available, for domestic flights and if Business Class is not available then in First Class, and Business Class for international flights.

## 6.3 Air Mileage Programs

HCPs may earn mileage points provided that the fare and/or rate associated with such travel is the *least expensive available* for the specific travel required. An HCP may also use personal frequent flyer miles/certificates (where applicable), to upgrade a coach-class ticket or personally pay for the difference between coach and any higher class fare. Managing an HCPs air miles accounts is the responsibility of the HCP including personally facilitating any frequent flyer upgrades and/or reconciling any fare difference with a personal credit card directly with the airline. All additional costs associated with any such upgrade are non-reimbursable by United.

## 6.3 Baggage Fees

United will reimburse for airline fee assessed for checked baggage within the airlines established weight limits:

- Domestic: one-piece
- International: two-pieces
- Overweight/over-limit baggage is allowed if the overage is due to United equipment required for business
- HCPs must work directly with airline and credit card carrier to recover damage for lost baggage/contents

## 6.4 Charter Flights

Charter flights are not approved within this Policy. Charter air requires prior approval of the United USA President and will only be considered under exceptional circumstances (*e.g.*, security risks or absence of commercial flights).

## 6.6 Personal Aircraft

Under no conditions will an HCP be reimbursed for any expenses related to his or her personal aircraft including without limitation fuel, hangar fees, or maintenance. If an HCP chooses to use a personal aircraft for travel, United shall not be liable for any damages arising from such travel, including without limitation personal injury or property damage of any kind and HCP shall indemnify, defend, and hold harmless United for any and all such damages.

## 7. GROUND TRANSPORTATION

HCPs may travel to conduct United business via reasonable means of ground transportation such as car, taxi or mass transportation. The most cost-effective, safe, and efficient ground transportation is to be used. Air or train should be used for trips involving long distances.

### 7.1 Rideshare and Taxi

Rideshare programs (*e.g.*, Uber and Lyft) and taxi services are the United preferred ground transportation method.

### 7.2 Town Car Service

In the event ride share and taxi transportation is not available, a town car may be utilized if the cost is commensurate with that of standard ground and mass transit in the same area. When possible, a car service must be booked by, and fees billed directly to, United. If the car service is not direct billed to United and the HCP pays the fare, an *itemized receipt* must be submitted to United for reimbursement.

### 7.3 Personal Vehicle

If an HCP chooses to drive their personal vehicle, they will be reimbursed at the then current Internal Revenue Service (“IRS”) mileage reimbursement rate. Personal mileage reimbursement covers all costs related to operation of the vehicle, including without limitation fuel, service, maintenance, car washes, insurance, and depreciation.

HCP are required to provide addresses of the starting and ending destinations on their submitted Expense Report using Google Maps, Mapquest, or equivalent verification to support the mileage reimbursement requested. Fares, tolls, and parking require an *itemized receipt* for reimbursement. Parking citations and other tickets will not be reimbursed by United.

### 7.4 Rental Cars

United does not reimburse for rental cars unless otherwise agreed in writing with an HCP prior to the provision of a planned service or attendance at a company sponsored meeting.

### 7.5 Mass Transit

HCPs may be reimbursed for using mass transit (*e.g.*, train, bus, subway, ferry) in order to complete United requested services. Mass transit costs should not exceed reasonable air and ground transit costs and must be booked in coach/economy class. Business class options must be pre-approved in writing by authorized United personnel.

## 8. LODGING / ACCOMMODATIONS

United may reimburse the expenses for modest overnight accommodations for HCPs traveling on United business and unable to return home for one or more nights due to the conduct of such business. United shall only reimburse actual lodging expenses and additional expenses (*e.g.*, (double occupancy, room upgrades, or amenities) will not be reimbursable. All lodging and overnight accommodations will be arranged by United

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with a preferred vendor or hotel event site (if applicable) depending upon availability. Accommodations will be made for the night prior to commencement of the scheduled activities through the night in which services conclude.

When travel schedules require early hotel check in and additional hotel charges are incurred, the additional charges are considered reimbursable. Reasonable internet and business center charges, and meals for the traveling HCP (including room service) may be paid or reimbursed.

**Note:**

- laundry and dry cleaning is considered reimbursable only when travel is longer than four consecutive nights
- requests such as different room types and special amenities must be arranged, and paid for directly, by the HCP via a personal credit card
- incidental room expenses such as movies, gym/fitness center, and spa fees are not reimbursable

### **8.1 Non-Contracted Hotels**

- If United has arranged lodging and an HCP elects to stay elsewhere, reimbursement is made at an amount no higher than the rate negotiated with the United preferred vendor. The final hotel bill evidencing proof of payment is required for reimbursement. Reimbursement will not be given for transit between the alternate lodging and site of the services

### **8.2 Loyalty Programs**

HCPs may earn loyalty points provided that the associated lodging rate is the *least expensive available*

## **9. TRAVEL TIME REMUNERATION**

### **9.1 Reimbursement for Travel Time**

HCPs may be reasonably compensated for travel time incurred when the travel is necessary to provide services on behalf of United pursuant to the HCPs written agreement and SRL documents and only upon prior written approval by United. United bases all travel reimbursement upon transit time door-to-door (*i.e.*, HCPs home/office to the final destination). The majority of United business-related activities will require air travel as the most direct means commercially available to advance efficient and time effective travel. For all other modes of travel, travel time is equivalent to flight time (including layover time) if the HCP had traveled by air using the most direct route commercially available. Example, an HCP may not chose to travel by car and claim 8 hours at an hourly expense in lieu of train or air travel that is substantially less in travel time at 1.5 hours.

### **9.2 Compensation Structure**

When traveling by air travel time is compensated based upon the actual flight time (including without limitation, ground transit, flight time, layover time, delays, if applicable). Within North America, the daily maximum travel time compensation is twelve (12) hours. For trans-continental flights outside North America, there is a maximum travel time compensation of sixteen (16) hours. Travel time reimbursement

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allows for a combined maximum of three (3) hours for ground transit to the departure airport and ground transit to the arrival destination. This ground transit time is part of, not in addition to, the applicable travel cap set out above.

### 9.3 Exclusions

If an HCP chooses to extend their trip outside of the allotted time for the United business activity on the approved SRL, the HCP will not be eligible for compensation for the portion of travel corresponding to the extension, whether prior to, or after conclusion of the activity. Example, an HCP chooses to stay abroad following a surgeon symposium for an additional week to visit family. The HCP will not receive travel time compensation for the return portion of the trip as it falls outside of the stipulated United business activity, nor will their return airfare be eligible for reimbursement.

## 10. TRAVEL SCHEDULING PARAMETERS

All travel to and from a destination which is governed by this Policy shall be limited as follows: a) arrival flights shall be scheduled as closely as reasonably practicable to the start time and date of the service and/or event; and b) departure flights shall be scheduled as reasonably practicable to the conclusion of the service and/or event. In no instance shall an HCP be permitted to extend the HCP's trip to a service and/or event in order to spend personal time in the location of the service and/or event. In some instances, arrival and/or return travel may necessitate an additional night's stay at the location, however, in such circumstances, flights shall be scheduled such that unnecessary "down time" at the service and/or event location is limited.

## 10. BUSINESS MEALS

### 11.1 Definition

United defines a business meal as any food and beverage consumed by an HCP while traveling on United business or attending a United sponsored training and education event.

Appropriate meals for a traveling HCP (including room service) and other invited United business attendees may be paid or reimbursed *only* if the meeting complies with the following criteria:

- must be to conduct United business and have a reasonable business purpose (*e.g.*, development meeting, United Product Training);
- only being conducted over meal time as invited attendee's schedules provide no other alternative;
- includes a pre-established agenda with a clear, reasonable, specific business purpose
- meals include *only* those who are necessary to conduct the related business (no spouses or guests);
- meals expense must be ordinary and necessary; and
- food should not be used as incentive for meeting participation.

### 11.2 Meal Allotments

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Three (3) meals per day will be eligible for reimbursement unless United is providing a meal or meals in connection with the requested service. This includes daily combination of meals, snacks, minibar, beverages (non-alcoholic and alcoholic). All meals must be modest and take place in reasonably priced establishments.

**Note:**

- Tips must never to exceed 20% of total bill and be appropriate to location, service level and local protocol
- When dining with another HCP separate checks are mandatory
  - certain state regulations do not permit HCPs to accept meals from a medical device company
- If a meal is provided by United no separate expense for this same meal is reimbursable.

### **11.3 Guests Not Permitted at Working Dinners or Other Meals**

In the event that a service requested of an HCP includes a working dinner or other meal, guests, including without limitation spouses, shall not be permitted to attend even if the HCP is willing to cover the expense of the guest's meal.