

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT is entered into between ADVANCED INDUSTRIAL SUPPLY COMPANY ("Seller") and Buyer named below who agree as follows:

1. **Scope and Effect of Agreement.** By submitting a purchase order to Seller and Buyer agrees to purchase goods subject to the terms of this Agreement and not subject to any additional or different terms or conditions. Any additional or different terms or conditions proposed by Buyer by any means and at any time whatsoever are hereby objected to and rejected. This Agreement cannot be modified except upon the express, written, and signed agreement of both Buyer and Seller. This Agreement shall govern all future sales and purchases between Buyer and Seller.
2. **Purchase Price.** The price of goods and quantity shall be set forth in Seller's Invoice, which may be amended from time to time at Seller's sole discretion. Buyer will reimburse Seller all preparation, packaging, transportation, and delivery costs.
3. **Payment and Interest.** Buyer agrees to pay Seller for the goods in U.S. dollars within 30 days of shipment of goods. For amounts not paid within 30 days, interest shall accrue at the rate of twenty-one percent (21%) per annum.
4. **Shipment and Delivery.** All goods shall be shipped F.O.B Pocatello or Boise, Idaho. Buyer accepts delivery of the goods upon Seller's delivery of the goods to the carrier or shipper at Seller's place of business. The risk of loss, damage, or destruction of the goods shall be borne by Buyer as soon as the goods are delivered to the carrier or shipper.
5. **Warranties.**
 - a. **Warranty of Title.** Seller warrants that it has good title to any goods conveyed and full authority to transfer such goods and that all transfers shall be free and clear of any security interest, lien, claim, or encumbrance of which Buyer has no knowledge.
 - b. **Description of Goods.** Seller warrants that the goods delivered shall conform to the description set forth in Seller's specifications and if none the description set forth in Seller's invoice.
 - c. **Disclaimer of Warranties.** SELLER MAKES NO OTHER WARRANTIES, EXPRESSED OR IMPLIED, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR OTHERWISE, EXCEPT WARRANTIES OF THE ORIGINAL MANUFACTURERS. THERE ARE NO WARRANTIES THAT EXTEND BEYOND THE DESCRIPTION ON THE GOODS, WHICH ARE SOLD "AS IS" AND WITH ALL FAULTS OR QUALITIES DISCOVERABLE OR REVEALED THROUGH EXAMINING THE GOODS OR A SAMPLE OR MODEL THEREOF. Buyer acknowledges that Seller will, upon reasonable request prior to any purchase and sale, allow Buyer to examine the goods to be purchased, and if Buyer does not so examine the goods, it acknowledges that it had the right and opportunity to do so but refused.
6. **Remedy and Limitation of Damages.** Any amount of damages arising out of this Agreement, including breach of any warranty, shall be limited in all events to the price paid for the goods on which the complaint may arise. Buyer agrees that Seller shall not be liable for prospective profits or special, indirect, or consequential damages. At Buyer's option, the sole and exclusive remedy available to the Buyer is one of the following: (1) return of the actual purchase price of the goods or (2) replacement of the goods on which the complaint has arisen.
7. **Negotiation and Mediation.** In the event of a substantial dispute between the Parties in connection with any transaction, contract, or agreement arising from this Agreement, the Parties shall attempt in good faith to resolve such dispute. If no resolution is reached through informal negotiations, the Parties shall endeavor to settle the dispute by mediation under the then-current CPR Mediation Procedure ("CPR Mediation Rules"). The Parties shall agree upon a mediator or, if they cannot agree upon a mediator within five days of commencement of the mediation procedure, they shall select a mediator pursuant to the CPR Mediation Rules. Expenses of mediation shall be divided equally between the Parties.
8. **Arbitration.** If Parties do not resolve any substantial dispute through negotiation and mediation, as set forth above, such dispute shall be settled by arbitration in Pocatello, Idaho, by a single arbitrator mutually acceptable to the Parties. The arbitrator's award shall be final and binding on the Parties and shall also be non-appealable. Arbitration will be governed by the CPR Rules for Non-Administered Arbitration ("CPR Arbitration Rules").
9. **Litigation.** Litigation of a dispute between the Parties in connection with any transaction, contract, or agreement arising from this Agreement is not allowed, except to 1) enforce a settlement agreement entered into by the Parties through mediation or 2) enforce or confirm an arbitrator's decision. If litigation ensues, jurisdiction and venue shall be in the District of the State of Idaho in Bannock County.
10. **Attorney Fees and Costs.** The prevailing Party shall be entitled to reasonable attorney fees and costs incurred during arbitration and litigation, including costs incurred to compel mediation and/or arbitration. Each party shall bear their own attorney fees and costs incurred during negotiations and mediation.
11. **Choice of Law.** In any arbitration or litigation proceeding, the terms and provisions of this Agreement shall be construed in accordance with the laws of the State of Idaho.
12. **Severability.** If a court of competent jurisdiction finds any of the terms or conditions of this Agreement to be illegal or unconscionable, the remaining terms and conditions of this Agreement shall stay in full force and effect.
13. **Entire Agreement.** This Agreement contains the entire understanding and agreement between Buyer and Seller and supersedes all previous agreements regarding the terms of the purchase and sale of goods between the Parties, whether oral or in writing and notwithstanding any trade customs or prior course of dealings.

DATED: _____

SELLER:

ADVANCED INDUSTRIAL SUPPLY COMPANY

By: Ben Albano _____

Signature: Ben Albano _____

Address: 3235 Pole Line Road, Pocatello, ID 83201

Phone: 208-237-2222

Email: Ben@advancedind.com

BUYER:

Name

By: _____

Signature _____

Address: _____

Phone: _____

Email: _____