

ACI Mechanical & HVAC Sales may contact any banks and trade references and make all other credit inquiries it deems necessary, and Applicant authorizes the release of such information to ACI Mechanical & HVAC Sales. All information provided by Applicant is true and correct. The parties hereby agree that all purchases made are subject to the following terms and conditions contained in this Credit Application and Purchase Agreement (the "Agreement").

1. The undersigned Applicant hereby agrees that all purchases are payable 1 % 10 Net 30 and, if not timely paid, will then be deemed to be delinquent. Applicant agrees to pay a finance charge of 1 1/2% per month on all outstanding amounts on past due invoices 60 days beyond the invoice date.

2. As a result of this Agreement, should credit availability be granted, all decisions with respect to the extension or continuation of credit shall be in the sole discretion of ACI Mechanical & HVAC Sales, and Applicant shall be bound by all of the terms set forth in this Agreement as well as the payment terms on any invoice. ACI Mechanical & HVAC Sales. may terminate any credit availability at any time within its sole discretion.

3. In case of Applicant's default under this Agreement, Applicant agrees to pay ACI Mechanical & HVAC Sales's reasonable attorney fees and costs, even if no action is filed, including, without limitation, those incurred at the trial and appellate levels and/or in connection with any insolvency proceeding, as well as ACI Mechanical & HVAC Sales's internal collection costs. If any legal action becomes necessary to enforce the terms of this Agreement, Applicant waives its right to a jury trial.

4. The undersigned Applicant agrees that invoices and monthly statements issued by ACI Mechanical & HVAC Sales shall be deemed conclusive and accurate in all respects unless Applicant notifies ACI Mechanical & HVAC Sales in writing within ten (10) days of Applicant's receipt of the invoices or statements.

5. If Applicant is a sole proprietorship or partnership, I (we) agree that in the event of incorporation, all terms of this Agreement will apply to the corporation or limited liability company, including, without limitation, the Continuing Personal Guaranty appended hereto. Applicant shall notify ACI Mechanical & HVAC Sales at least 30 days prior to any change in its business structure, including, without limitation, the conversion from a sole-proprietorship or partnership to a corporation or limited liability company. All notification required by this paragraph shall be made in writing.

6. Any change in Applicant's business structure shall not affect Applicant's obligations under this Agreement unless ACI Mechanical & HVAC Sales agrees otherwise in writing, in its sole discretion. Applicant cannot transfer or assign its interest in this Agreement or its account relationship with ACI Mechanical & HVAC Sales without ACI Mechanical & HVAC Sales's prior written consent, which consent may given or denied in ACI Mechanical & HVAC Sales's sole discretion.

7. The terms, conditions and covenants contained herein shall be governed by and construed in accordance with the laws of the State of Washington as they apply to transaction between merchants, and venue in any action brought to enforce this Agreement may be laid in or transferred to King County, Washington, at the sole discretion of ACI Mechanical & HVAC Sales and Applicant consents to such jurisdiction. If any provision or provisions hereof are declared to be void, such provision or provisions shall be deemed severed from this Agreement, and the

remaining provisions of this Agreement shall remain in full force and effect. Applicant further agrees and binds itself to the terms printed on ACI Mechanical & HVAC Sales 's invoices.

8. Applicant agrees that its continued solvency is a precondition to any extension of credit by ACI Mechanical & HVAC Sales . On request, Applicant agrees to provide ACI Mechanical & HVAC Sales with a statement representing that Applicant is and remains solvent.

9. ACI Mechanical & HVAC Sales makes no express or implied warranties of any kind to applicant, with regard to any products sold by ACI Mechanical & HVAC Sales to applicant or with regard to any other action taken by ACI Mechanical & HVAC Sales, and ACI Mechanical & HVAC Sales hereby disclaims all express and implied warranties, whether implied by operation of law or otherwise, including , without limitation, all warranties of merchantability and fitness for particular purpose. Under no circumstances, will ACI Mechanical & HVAC Sales be liable to applicant for incidental, punitive, special or consequential damages of any kind. The provisions of this paragraph shall supersede and control over any contrary provisions contained in any other documents, including , without limitation, applicants purchase orders (collectively the "other documents") and the provisions contained in this paragraph shall be deemed a part of such other documents and incorporated therein. Any such contrary provisions contained in the other documents, including, without limitation, any indemnity provisions in favor of applicant of another party, shall be deemed null and void and of no effect. Applicant's sole and exclusive warranty will be any warranty provided by a product's manufacturer.

10. No terms or conditions of purchase orders or Other Documents issued by Applicant which are different from the terms of this Agreement or other terms and conditions required by ACI Mechanical & HVAC Sales will become part of any sales agreement, purchase order, or other document unless specifically approved in writing by an authorized agent of ACI Mechanical & HVAC Sales. Applicant's purchase orders shall be deemed to incorporate the terms and conditions of this Agreement. In no event shall preprinted terms and conditions on any of Applicant's documents, such as purchase orders, confirmations, acceptances, etc., modify or add to the terms of a purchase order or this Agreement.

11. Applicant represents and warrants that Applicant has the full power and authority to enter into this Agreement, and any officer or other representative executing this Agreement on behalf of Applicant, represents and warrants that he or she has the full power and authority to execute this Agreement on behalf of Applicant and to bind Applicant to the provisions of this Agreement.