

PREFERRED PARTNER AGREEMENT

Aquatic Pool Alliance, LLC dba Aquatic Power Alliance (APA)

National Account Preferred Partner Program

<i>This Agreement is entered into by and between:</i>	Aquatic Pool Alliance, LLC dba Aquatic Power Alliance (APA) , a procurement alliance acting as General Procurement Agent for its independent member businesses, Located at: 1209 Mountain Road PL NE; Albuquerque, NM 87110
AND	 _____ ("Preferred Partner" or "Supplier") located at: _____

Effective Date: _____

APA and Preferred Partner are each referred to herein individually as a "Party" and collectively as the "Parties."

1. PURPOSE AND SCOPE

This Master Preferred Partner Agreement ("Agreement") formalizes a strategic preferred supply relationship between APA and the Preferred Partner. APA will aggregate and direct the purchasing volume of its independent member businesses toward the Preferred Partner in exchange for negotiated National Account pricing, performance-based rebates, and dedicated account support as set forth herein.

APA acts solely as Procurement Agent for its members and is not itself the end-user or consumer of goods and services ordered hereunder. Each member's purchase is a separate transaction; APA's obligation is limited to facilitating and guaranteeing payment as described in Section 3.

2. DEFINITIONS

For purposes of this Agreement, the following terms have the meanings set forth below:

- "APA Members" means the independent pool and aquatic industry businesses enrolled in APA's purchasing program as of the Effective Date, as updated from time to time.
- "National Account Pricing" means the Preferred Tier pricing schedule attached hereto as Exhibit A, equivalent to standard distributor, buying group, or OEM pricing models in the industry.
- "Purchase Order" means any order placed by APA on behalf of an APA Member for goods or services supplied by Preferred Partner.
- "Rebate" means the performance-based financial incentive paid by Preferred Partner to APA as described in Section 4.
- "Net Sales" means the total invoice value of all goods and services sold to APA Members under this Agreement, less any returns, credits, or allowances.

3. PURCHASING AND BILLING MODEL

3.1 Centralized Billing

APA shall execute all Purchase Orders on behalf of its members. The Preferred Partner shall issue all invoices directly to APA. APA members shall not be invoiced directly unless APA expressly authorizes otherwise in writing.

3.2 Guaranteed Payment

APA guarantees payment of all valid invoices through its Credit Card on File system. All orders shall be paid within twenty (20) calendar days of the invoice date. Payment terms are 5.9%, 20 days. APA shall maintain a valid credit card on file with Preferred Partner at all times during the Term. A Credit Card Authorization Form is attached hereto as Exhibit B.

3.3 Dedicated Account Manager

Preferred Partner shall designate a single dedicated Account Manager as the primary point of contact for APA, and a secondary backup person. The Account Manager shall be responsible for order fulfillment, logistics coordination, issue resolution, and reporting. Preferred Partner shall provide APA with at least thirty (30) days' written notice of any change in Account Manager.

3.4 Order Process

Purchase Orders shall be submitted via APA's digital purchasing portal or such other method as mutually agreed in writing. Preferred Partner shall confirm receipt of each Purchase Order within one (1) business day. Disputed invoice items shall be communicated in writing within ten (10) business days of order receipt.

4. PRICING AND REBATES

4.1 National Account Pricing

Preferred Partner agrees to provide APA Members with Preferred Tier pricing as set forth in the Price Schedule attached hereto as Exhibit A. Such pricing shall be equivalent to standard distributor, buying group, or OEM industry pricing models.

4.2 Standard Discount

Preferred Partner agrees to apply a five point nine percent (5.9%) discount on all purchases made under this Agreement. This discount is inclusive of, and intended to cover, APA's member rebate distribution, credit card processing fees, and program administration costs. This discount shall be reflected on each invoice, as stated in section 3.2.

4.3 Incentive

Preferred Partner may offer APA Members incentives through the APA site at their discretion.

4.4 Performance Rebates

The Parties may agree to additional volume-based or performance-based rebate tiers, to be set forth in a written Rebate Schedule (Exhibit C) executed by both Parties. Rebates, if any, shall be calculated quarterly based on Net Sales and paid within thirty (30) days following each quarter-end. APA shall have the right to audit Preferred Partner's sales records relevant to rebate calculations upon fifteen (15) days' written notice, no more than once per year.

5. APA COMMITMENTS

5.1 Preferred Provider Designation

During the Term, APA shall feature Preferred Partner as a "Preferred Provider" in all relevant member communications, newsletters, and APA's digital purchasing portal, subject to APA's editorial discretion.

5.2 Sales Advocacy

APA shall act as a digital sales representative for Preferred Partner's product lines within the Alliance. APA will promote Preferred Partner's offerings to its membership base and facilitate member adoption, reducing Preferred Partner's direct sales overhead with respect to APA Members.

5.3 Member Enrollment

APA shall provide Preferred Partner with a current list of enrolled APA Members on a quarterly basis, or upon written request, to facilitate account setup and reporting. Such list is confidential and subject to Section 8.

6. REPRESENTATIONS AND WARRANTIES

6.1 Preferred Partner Warranties

Preferred Partner represents and warrants that: (a) it has full authority to enter into and perform this Agreement; (b) all goods and services supplied hereunder will conform to applicable specifications, be free from defects in material and workmanship, and comply with all applicable laws and regulations; and (c) it maintains adequate insurance coverage, including commercial general liability, as reasonably requested by APA, and provide a Certificate Of Insurance to be kept on file and current.

6.2 APA Warranties

APA represents and warrants that: (a) it has full authority to enter into this Agreement and to act as Procurement Agent for its Members; (b) it will maintain accurate member enrollment records; and (c) it will maintain a valid payment method on file at all times during the Term.

7. TERM AND TERMINATION

7.1 Term

This Agreement shall be effective for an initial period of twelve (12) months from the Effective Date ("Initial Term"). Thereafter, this Agreement shall automatically renew for successive one (1) year periods unless either Party provides written notice of non-renewal at least sixty (60) days prior to the end of the then-current term.

7.2 Termination for Cause

Either Party may terminate this Agreement immediately upon written notice if the other Party: (a) materially breaches this Agreement and fails to cure such breach within thirty (30) days after written notice thereof; (b) becomes insolvent, makes a general assignment for the benefit of creditors, or has a bankruptcy petition filed against it; or (c) engages in fraudulent, illegal, or grossly negligent conduct.

7.3 Termination for Convenience

Either Party may terminate this Agreement for any reason upon ninety (90) days' prior written notice to the other Party.

7.4 Effect of Termination

Upon expiration or termination: (a) all outstanding Purchase Orders accepted prior to the termination date shall be fulfilled and paid in accordance with this Agreement; (b) APA's Preferred Provider designation of Preferred Partner shall cease; and (c) each Party shall return or destroy the other Party's confidential information upon written request.

8. CONFIDENTIALITY

All pricing, rebate structures, discount terms, member lists, and proprietary business information exchanged under this Agreement ("Confidential Information") shall be kept strictly confidential by each Party. Neither Party shall disclose Confidential Information to any third party, including competing distributors or suppliers, without the prior written consent of the disclosing Party, except as required by law or court order. This obligation shall survive termination of this Agreement for a period of three (3) years.

9. LIMITATION OF LIABILITY AND INDEMNIFICATION

9.1 Limitation of Liability

IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. EACH PARTY'S TOTAL CUMULATIVE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT SHALL NOT EXCEED THE TOTAL NET SALES PAID UNDER THIS AGREEMENT IN THE TWELVE (12) MONTHS PRECEDING THE CLAIM.

9.2 Indemnification

Each Party ("Indemnifying Party") shall indemnify, defend, and hold harmless the other Party and its officers, directors, employees, and agents from and against any third-party claims, damages, losses, and expenses (including reasonable attorneys' fees) arising from: (a) the Indemnifying Party's breach of this Agreement; (b) the Indemnifying Party's negligence or willful misconduct; or (c) in the case of Preferred Partner, any defect in goods or services supplied hereunder.

10. GENERAL PROVISIONS

10.1 Governing Law and Dispute Resolution

This Agreement shall be governed by the laws of the State of New Mexico, without regard to conflict of law principles. Any dispute arising hereunder that cannot be resolved through good-faith negotiation within thirty (30) days shall be submitted to binding arbitration under the rules of the American Arbitration Association, with proceedings conducted in New Mexico.

10.2 Amendments

This Agreement may be amended only by a written instrument signed by authorized representatives of both Parties. No waiver of any provision shall be effective unless in writing.

10.3 Entire Agreement

This Agreement, together with all Exhibits, constitutes the entire agreement between the Parties with respect to its subject matter and supersedes all prior negotiations, representations, warranties, and understandings, including any prior Memorandum of Understanding between the Parties.

10.4 Notices

All notices shall be in writing and delivered by hand, overnight courier, or email with read receipt to the addresses set forth on the signature page below. Notices are effective upon receipt.

10.5 Severability

If any provision of this Agreement is held invalid or unenforceable, the remaining provisions shall remain in full force and effect.

10.6 Independent Contractors

The Parties are independent contractors. Nothing in this Agreement creates a partnership, joint venture, agency, franchise, or employment relationship between the Parties.

10.7 Counterparts and Electronic Signatures

This Agreement may be executed in counterparts, each of which shall constitute an original. Electronic signatures shall be deemed valid and binding to the same extent as original signatures.

11. SIGNATURES

The Parties, by their duly authorized representatives, agree to the terms of this Master Preferred Partner Agreement as of the Effective Date first written above.

For Aquatic Power Alliance (APA):

Signature

Print Name

Title

Date

For Preferred Partner:

Signature

Print Name

Title

Date

EXHIBITS

- Exhibit A – National Account Price Schedule
- Exhibit B – Credit Card Authorization Form
- Exhibit C – Performance Rebate Schedule (if applicable)

Each Exhibit, once executed or attached by both Parties, is incorporated herein by reference.