Purchase Agreement

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This Purchase Agreement (“Agreement”) dated XX/XX/XXXX is made between [insert Seller name] (“Seller”) and [insert Buyer name] (“Buyer”).

# Sale of Goods/Property/Services

Seller agrees to sell, and Buyer agrees to purchase, the [Goods/Property/Services] described as [Description of Goods/Property/Services], hereinafter referred to as the “Product”.

# Purchase Price

Buyer agrees to pay [Currency and Amount], as the total purchase price for the Product.

# Payment Terms

The purchase price shall be paid in the following manner: [Describe Payment Method and Schedule].

# Delivery Terms

Seller shall deliver the Product to [Delivery Location], on or before [Delivery Date]. Delivery is deemed complete when the Product has been handed over to Buyer at the designated location.

# Warranties

## Seller’s Warranties

1. **Right to Sell:** Seller warrants that it has the full right, power, and authority to sell the Product and that the Product is free from any liens, claims, or encumbrances at the time of sale.
2. **Condition of the Product:** The Product shall be [New/Used] and in [Condition of Product]. Seller warrants that the Product is free from any known defects and meets the agreed-upon quality standards at the time of sale.
3. **As-Is Condition:** Except as expressly stated in this Agreement, the Product is sold “AS IS” and “WITH ALL FAULTS.” The Buyer acknowledges that the Seller did not manufacture the Product and is not responsible for any defects or non-conformities in the Product.

## Buyer’s Responsibilities

1. **Inspection Period:** Buyer shall have the right to inspect the Product within [Number of Days] days after delivery (“Inspection Period”). If the Product does not meet the agreed-upon specifications, Buyer may reject the Product by notifying Seller within the Inspection Period. If the Buyer does not reject the Product within the Inspection Period, the Product shall be deemed accepted.
2. **Effect of Rejection:** If Buyer rejects the Product within the Inspection Period, then (1) Buyer shall return the Product to Seller at Seller’s expense (2) once Seller has received the returned Product, Seller shall refund all payments made by Seller, and (3) this Agreement shall terminate.
3. **Due Diligence:** Buyer acknowledges that it has conducted its own due diligence and investigation regarding the condition and suitability of the Product for its intended use. Buyer assumes all risks associated with the purchase, except for those expressly covered by Seller’s warranties.

## Limitation of Liability

1. **Exclusion of Implied Warranties:** Except as expressly provided in this Agreement, Seller makes no other warranties, express or implied, including any implied warranties of merchantability or fitness for a particular purpose.
2. **Limitation on Damages:** Seller’s liability under this warranty is limited to the repair or replacement of the Product, or refund of the purchase price, at Seller’s discretion. Seller shall not be liable for any indirect, incidental, special, or consequential damages arising out of or in connection with the sale of the Product.

# Ownership and Risk

1. **Transfer of Ownership:** Ownership of the Product shall pass to Buyer upon completion of payment.
2. **Risk of Loss or Damage:** The risk of loss or damage to the Product passes to Buyer upon delivery.

# Term and Termination

This Agreement shall be effective from the date of its execution and shall continue until both parties have fully performed their obligations under this Agreement, unless terminated earlier as per this Agreement.

## Termination for Cause

If either party materially breaches this Agreement, the other party (the “non-breaching party”)
may terminate this Agreement as follows:

1. **Notice of Breach:** The non-breaching party shall provide written notice to the breaching party, describing the nature of the material breach in reasonable detail.
2. **Cure Period:** The breaching party shall have [Cure Period] days from receipt of such notice to cure the material breach.
3. **Failure to Cure:** If the breaching party fails to cure the material breach within the [Cure Period] day period, the non-breaching party may terminate this Agreement immediately by providing written notice of termination to the breaching party.
4. **Immediate Termination:** If the material breach is of a nature that cannot be cured within [Cure Period] days, the non-breaching party may terminate this Agreement immediately upon providing the initial notice of breach.

## Effect of Termination for Cause by Buyer

If Buyer terminates for cause before delivery of the Product:

1. Seller shall immediately refund all payments made by Buyer; and
2. Seller shall cancel any unshipped orders and, if applicable, cease manufacture of any unfinished Products.

If Buyer terminates for cause after delivery of the Product:

1. Buyer may return the Product to Seller at Seller’s expense;
2. Seller shall refund the full purchase price upon receipt of the returned Product; and
3. Seller shall compensate Buyer for any direct damages caused by the breach.

## Effect of Termination for Cause by Seller

If Seller terminates for cause before delivery of the Product:

1. Seller may retain any non-refundable deposits as liquidated damages; and
2. Seller shall cancel any unshipped orders and, if applicable, cease manufacture of any unfinished Products.

If Seller terminates for cause after delivery of the Product:

1. Buyer shall immediately pay the full purchase price if not already paid; and
2. Seller may seek additional remedies as provided by law.

## Survival

Any provision of this Agreement that, by its nature, would reasonably be expected to be performed after the termination or expiration of this Agreement, shall survive and be enforceable after such termination or expiration. This includes, but is not limited to, provisions relating to confidentiality, warranties, limitation of liability, indemnification, and dispute resolution.

# Intellectual Property Rights

Any pre-existing intellectual property rights of either party shall remain the property of that party. Seller grants Buyer a non-exclusive, non-transferable license to use any intellectual property rights necessary for the use of the Product. Any intellectual property created specifically for Buyer as part of this Agreement shall be owned by Buyer, unless otherwise agreed in writing.

# Handling Confidential Information

The parties understand and acknowledge that, in fulfilling their obligations under this Agreement, they may need to share information with each other that is confidential and proprietary. The parties agree to the following protective measures for this shared confidential information.

## Definition

“Confidential Information” means non-public information disclosed by a party (the “Disclosing Party”) under this Agreement that is:

1. identified as “confidential” at the time of disclosure, or
2. information that a reasonable person would understand to be confidential given the nature of the information and circumstances of disclosure.

## Protection

The party receiving Confidential Information (the “Receiving Party”) will not disclose the Disclosing Party’s Confidential Information, except to employees, affiliates, agents, or professional advisors who need to know it and who have agreed in writing to keep it confidential. The Receiving Party will use reasonable care to protect the Disclosing Party’s Confidential Information and will use at least the same degree of care that it uses for its own Confidential Information.

## Exclusions

Confidential Information does not include information that: (a) was known to the Receiving Party prior to receipt from the Disclosing Party; (b) is or becomes public knowledge through no fault of the Receiving Party; (c) is rightfully received by the Receiving Party from a third party without a duty of confidentiality; or (d) is independently developed by the Receiving Party without use of or reference to the Disclosing Party’s Confidential Information.

## Disclosure Required by Law

The Receiving Party may disclose Confidential Information as required to comply with binding orders of governmental entities that have jurisdiction over the Receiving Party. Before making any such disclosures, the Receiving Party must give the Disclosing Party reasonable written notice to allow the Disclosing Party to seek a protective order or other appropriate remedy. In making any disclosures, the Disclosing Party must limit its disclosure to only such Confidential Information as is required by the governmental entity.

## Return of Confidential Information

Upon termination or expiration of this Agreement, the Receiving Party will promptly either:

1. return to the Disclosing Party, or
2. destroy

all copies of the Disclosing Party’s Confidential Information that are in the Receiving Party’s possession or control.

# Dispute Resolution

## Good Faith Negotiation

The parties agree that, if they have a dispute relating to this Agreement, they will first use their best efforts to negotiate in good faith to resolve the dispute.

## Mediation

If the parties have not reached a resolution by negotiation within 30 days, then either party may submit the matter to confidential mediation under the rules of the American Arbitration Association, or any other procedure acceptable to both parties. The parties agree that they will attempt to resolve the dispute through mediation before seeking a resolution through arbitration, litigation, or any other adversarial procedure.

## Arbitration

If the parties have not reached a resolution within 120 days after beginning mediation, then either party may submit the matter to binding arbitration under the rules of the American Arbitration Association, or any other procedure acceptable to both parties.

# Force Majeure

## Force Majeure Event

Neither party shall be liable for any failure or delay in performing its obligations under this Agreement to the extent such failure or delay is caused by circumstances beyond its reasonable control, including but not limited to acts of God, natural disasters, war, civil unrest, labor disputes, power outages, or government actions (“Force Majeure Event”).

## Notice Required

If a Force Majeure Event occurs, the affected party shall (1) promptly notify the other party, and (2) take reasonable steps to minimize the impact of the event. If a Force Majeure Event continues for more than sixty (60) days, either party may terminate this Agreement upon written notice to the other party.

# General Provisions

## Entire Agreement

This written Agreement is the final agreement between the parties and supersedes all prior agreements and understandings, whether written or oral.

## Amendments Must Be In Writing

Any amendment to this Agreement must be made in writing and signed by both parties.

## Governing Law

This Agreement will be governed under the laws of [State/Country].

## Severability

If any part of this Agreement is held to be invalid or unenforceable, the remainder of the Agreement will remain in full force and effect.

| [Buyer Legal Name] |
| --- |
|  |
|  |
| By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| [Name of Officer] |
| [Title of Officer] |
| Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

| [Seller Legal Name] |
| --- |
|  |
|  |
| By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| [Name of Officer] |
| [Title of Officer] |
| Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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