

Sales Order Acknowledgement

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Wah Chang
PO Box 460, 1600 NE Old Salem Road
Albany, OR 97321-0460
ph: 541-967-6977 fax: 541-967-6994



ORDER IS PENDING APPROVAL

Order Date: 25-JAN-06
Purchase Order No: 0610201
Customer Contact: JON ERICKSON
Sales Order No: 129685
***Rev No:**
Payment terms: NET 30 DAYS
Source Inspections: ALLVAC
Export Licence Type:
Salesperson: WILCOX, MIKE

Bill To:
JON ERICKSON
MONTEREY BAY AQUARIUM RESEARCH
INSTITUTE
ATTN: ACCOUNTS PAYABLE
7700 SANDHOLDT ROAD
MOSS LANDING, CA 95039-9644

Ship To:
JON ERICKSON
MONTEREY BAY AQUARIUM RESEARCH
INSTITUTE
7700 SANDHOLDT ROAD
MOSS LANDING, CA 95039-9644

SO Item No	PO Item No	----- Qty -----				Price	Unit	Sch Ship Date	Ship to	Ship Method	Delivery Point	Del / Frt Terms
1	TI GRADE C5 CASTING HEMISPHERE WITH THREE TABS. CA060035											
	Customer Part Number: 1001790-01											
	Drawing Number:											
	Pattern Number: 1001791-01											
1.1	1	2	0	0	\$4050.00	EACH	12-MAY-06	MOSS LANDIN	BEST WAY		ALBANY, OR	FOB-COLLECT
	Qty Total: 2			Estimated Line Total: \$8,100.00								
2	TI GRADE C5 CASTING HEMISPHERE WITH HEX EXT. AND THREE TABS. CA060036											
	Customer Part Number: 1001791-02											
	Drawing Number:											
	Pattern Number: 1001791-02											
2.1	2	3	0	0	\$5665.00	EACH	12-MAY-06	MOSS LANDIN	BEST WAY		ALBANY, OR	FOB-COLLECT
	Qty Total: 3			Estimated Line Total: \$16,995.00								
3	PATTERN - ADD MATERIAL TO TAB OD.											
	Pattern Number: 10017901-01-02											
	Pattern Description: PATTERN MODIFICATION											
3.1	3	1	0	0	\$300.00	EACH	03-FEB-06	MOSS LANDIN	BEST WAY		ALBANY, OR	FOB-COLLECT
	Qty Total: 1			Estimated Line Total: \$300.00								

Export Notes: THESE COMMODITIES ARE SUBJECT TO EXPORT CONTROLS. PRIOR UNITED STATES GOVERNMENT APPROVAL MAY BE REQUIRED FOR THEIR EXPORT AND/OR RE-EXPORT.

Specification Notes: OMC 105, REV K, CLASS 1 PATTERN, GRADE C5, PARA. 9.2

TITANIUM MATERIAL CERTIFICATION PER ASTM B 367-05, GRADE C5

Estimated Order Total: \$25,395.00

All quotations and acknowledgements are subject to the terms and conditions set forth on the back here of.

Government Priority:

Govt Contract No:

CAS Code:

Thank you for your order.
If you have any questions, please contact us.

Best regards,

Wah Chang Sales Representative

WAH CHANG (WC) SALES ORDER TERMS AND CONDITIONS

1. CONTRACT TERMS All descriptions, quotations, proposals, acknowledgements, offers, acceptances and sales of WC's products are governed by the terms and conditions on the face and back hereof. This constitutes the contract for WC's sale of the products. Buyer's acceptance of any offer to sell is limited to these terms and conditions. WC's acceptance of any offer by Buyer to purchase the products is expressly conditional upon Buyer's assent to all the terms and conditions hereon, including any terms additional to or different from those contained in the offer to purchase. WC hereby objects to any different terms or conditions contained in any acceptance by Buyer of any offer made by WC or in any other document submitted by Buyer. No modification, addition, deletion, rescission or waiver by WC of any terms or conditions set forth herein or of any of WC's rights or remedies hereunder, shall be binding upon WC unless agreed to in writing signed by WC. Buyer shall be deemed to have assented to these terms and conditions unless WC receives written notice of any objection within 10 days after Buyer's receipt of this form and in all events prior to delivery or other performance by WC.

2. TITLE/RISK OF LOSS Title and risk of loss to products to be furnished under this Agreement shall pass to Buyer at the time of and place of delivery specified on the face of this Agreement, or if left blank, at WC's plant.

3. INSPECTION AND ACCEPTANCE Unless specifically agreed to by WC, delivery and acceptance shall have been deemed to occur by Buyer at the earlier of a) time and placement of the products with the commercial shipper or b) receipt of material by Buyer.

4. WARRANTY/LIABILITY WC warrants to Buyer that goods and services furnished under this Agreement conform in all respects with the specifications contained in this Agreement and that they are free from defects in material and workmanship. WC's warranty obligations shall expire twelve (12) months after receipt by Buyer of the material, or three (3) months after a fabrication operation is performed on the material by the Buyer, whichever occurs first, for latent defects and four (4) months after receipt by Buyer of the material for patent defects. For purposes of this Agreement, patent defects are defined as those reasonably apparent upon routine visual inspection and measurement of the product. All other defects shall be deemed to be latent defects. This latent warranty does not apply to any product, which has been subject to misuse, misapplication, non-intended use, neglect (including without limitation inadequate maintenance), accident, or improper installation, modification, adjustment or repair. WC's liability under any warranty is limited solely to the repair, rework or replacement of any material found by WC to be defective or, at WC's option, to the refund of the purchase price of the defective material. Buyer expressly agrees that the remedy set forth above is exclusive. The repair, rework or replacement of the material, or the refund of the purchase price, constitutes fulfillment of all liabilities of WC to Buyer under any and all warranties, including liability based on contract, negligence and/or strict liability. **THIS WARRANTY IS THE SOLE AND ENTIRE WARRANTY PERTAINING TO WC'S PRODUCTS AND IS IN LIEU OF AND EXCLUDES ALL OTHER WARRANTIES OF ANY NATURE WHATSOEVER, WHETHER EXPRESSED, IMPLIED OR ARISING BY OPERATION OF LAW, TRADE USAGE OR COURSE OF DEALING, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY AND WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE. BUYER REPRESENTS THAT IT ALONE HAS DETERMINED THAT THE PRODUCTS PURCHASED ARE SUITABLE FOR AND WILL MEET THE REQUIREMENTS OF THEIR INTENDED PURPOSE.**

This warranty is provided by WC solely to the first commercial Buyer of the products and applies solely to products manufactured by WC. Buyer shall include in its agreements of sale of the products (as purchased from WC or as incorporated into another product) to any third party, a provision disclaiming all implied warranties with respect to the products sold hereunder, in substantially similar form to the disclaimer contained herein. In the event Buyer fails to fully and adequately pass through such disclaimer or warranties and/or Buyer makes any expressed warranties concerning the products sold hereunder, Buyer hereby agrees to indemnify WC from and against any and all damages, claims, demands, liability, losses, costs and expenses, including attorney's fees, incurred by WC based on or arising out of any third party warranty claims asserted against WC.

5. FORCE MAJEURE WC shall not be liable for delays beyond its reasonable control, including, but not limited to, Acts of God, acts of governmental authority, acts of the public, enemy, earthquake, fire, floods, epidemics, quarantine restrictions, strikes, or other labor difficulties including work stoppages, insurrection or riots, governmental priorities, freight embargoes, energy shortages, unusually severe weather, accidents, or explosions, inability to obtain necessary materials or equipment, pollution control rules, regulations or orders. In the event of such a delay, the time of performance shall be extended by the period of such delay.

6. MODIFICATION No waiver, alteration, consent or modification of this Agreement shall be binding against WC unless in writing and signed by a duly authorized representative of WC.

7. GOVERNING LAW This Agreement and the rights of the parties shall be governed by, subject to and construed according to the laws of the State of Oregon. The parties consent to jurisdiction by the state and federal courts located in the State of Oregon.

8. PACKING AND SHIPMENT All items to be delivered will be prepared for shipment in a reasonable commercial manner intended to affect the safe arrival and to secure reasonable transportation rates and comply with the carrier's regulations, unless as instructed by Buyer.

9. INSURANCE WC is a self-insurer for its property and maintains responsibility for the acts of its employees, whether negligent or not, during working periods or when working on customer sites. Customers shall be responsible for maintaining adequate insurance for negligent or fraudulent acts of its employees when working on WC's property. Adequate insurance is considered to be certificates of insurance for \$500,000 for each occurrence for auto liability and \$1,000,000 general liability and worker's compensation coverage.

10. TAXES Prices do not include state or federal taxes, duties, special assessments, or other similar related taxes.

11. PAYMENT Terms of payment are net thirty (30) from date of invoice. WC may reserve a purchase money security interest in the products delivered until all of WC's claims have been paid. Each shipment shall be considered a separate and independent transaction.

12. HEADINGS The Section headings used in this Agreement are intended for convenience only and shall not be deemed to supersede or modify any provisions.

13. SEVERABILITY Should any provision of this Agreement be found by a court of competent jurisdiction to be invalid, illegal or unenforceable, the remaining provisions shall not be affected or impaired thereby except to the extent reasonably necessary to preserve the intent of the parties.

14. LIMITATION OF LIABILITY NEITHER PARTY SHALL BE LIABLE FOR ANY RECURRENCE COSTS, UNDER ANY THEORY OF LIABILITY FOR ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, ANY LOSS OF INCOME, PROFITS OR PRODUCTION, INCREASES IN THE COST OF OPERATIONS, OR DAMAGE TO MATERIAL, ARISING IN CONNECTION WITH THE SALE, FABRICATION, INSTALLATION, USE OF OR INABILITY TO USE WC'S PRODUCT.

15. INDEMNITY Buyer shall indemnify and hold harmless WC from and against any and all claims, demands, judgments, liability, damages, losses, costs and expenses, including attorney's fees (collectively, "claims"), arising out of or resulting from the use or incorporation of any part or component manufactured by WC in any product manufactured or assembled by Buyer, except to the extent such Claims result solely from the negligence of WC. Buyer agrees that it does not rely on any representations, warranties, or advice of WC regarding the appropriate use or application of such parts or components, and assumes full responsibility for testing such parts and components, as well as the final product into which they are incorporated, for safety and performance.

16. NONDISCLOSURE It may become necessary during the course of this Agreement for a party to disclose to the other information which the disclosing party considers confidential and/or proprietary (e.g., inventions, confidential know-how, trade secrets, future product plans). A recipient shall have a duty to protect only that confidential information which is: (a) disclosed by the discloser in writing and is marked as confidential, or with a similar legend, at the time of disclosure, or which is (b) disclosed by the discloser in any other manner and is identified as confidential at the time of disclosure and is also summarized and designated as confidential in a written memorandum delivered to recipient within thirty (30) days of disclosure. Recipient shall not disclose confidential information to any third party individual, corporation, or other entity without the prior written consent of the discloser and shall limit its disclosure to its employees having a need to know such information. A recipient shall protect the disclosed confidential information by using the same degree of care (but not less than a reasonable degree of care) to prevent the unauthorized dissemination or publication of the confidential information of a like nature. These nondisclosure obligations shall terminate in three (3) years after receipt of such information. The obligations herein will not apply to any confidential information which is: (a) available to the public other than by breach of this Agreement by recipient; (b) rightfully received by recipient from a third party without confidential limitations; (c) independently developed by recipient's employees; (d) known to recipient prior to first receipt of same from discloser; or (e) hereinafter disclosed by the discloser to a third party without restriction on disclosure.

17. PATENT AND COPYRIGHT INDEMNIFICATION WC will defend any suit or proceeding brought against Buyer so far as such suit or proceeding is based upon a claim that any product furnished hereunder or part thereof, alone and not in combination with any other product, infringes any United States patent or copyright. WC must be notified promptly of such claim in writing and must be given all necessary authority, information and assistance at WC's expense. WC will pay all damages and costs awarded against Buyer. If the use of such product or part is enjoined, WC will, in its sole discretion and at its own expense, procure for the Buyer the right to continue using said product or part, replace same with a non-infringing product or part or modify it so that it becomes non-infringing or if WC is unable to reasonably do any of the above, WC will refund the purchase price and transportation costs. WC shall not be liable for any costs or damages and Buyer will indemnify, defend and hold WC harmless from expenses, damages, costs or losses resulting from any suit or proceeding based upon a claim arising from: (a) compliance with Buyer's design, specifications or instructions; (b) a modification of the product by a party other than WC after delivery by WC; (c) the use of any product or part thereof furnished hereunder in combination with any other product; or (d) the direct or contributory infringement of any process patent using any product furnished hereunder. Sale of the product or part hereof by WC does not confer upon the Buyer any license under any patent rights or copyrights. The

foregoing states the entire publication and the exclusive remedy of each party hereto with respect to any alleged patent or copyright infringement by any product or part furnished hereunder.

18. ASSIGNMENT This Agreement may not be assigned or otherwise transferred in whole or in part by either party without the other party's prior written consent. WC may assign this Agreement to its successor by merger without written consent. No attempt to assign or transfer in violation of this provision by either party shall be binding upon the other.

19. RELATIONSHIP OF PARTIES Both parties to this Agreement are independent contractors. Neither party shall have the authority to act for and/or bind the other in any way, or to represent that either is responsible for the acts of the other. Nothing herein shall be construed as forming a partnership or agency between the parties.

20. EXPORT RESTRICTIONS The ultimate shipment by WC of products under this Agreement is subject to the right and ability of WC to make such sales under all decrees, statutes, rules and regulations of the U.S. Government presently in effect or which may be in effect hereafter, which govern exports or otherwise pertain to export controls. Any order which cannot be fulfilled due to the inability of WC to obtain necessary export approvals shall be considered rejected by WC upon receipt of order. In the event that the products are exported from the United States or re-exported from a foreign destination by Buyer, Buyer shall ensure that the distribution and export/re-export of the products are in compliance with all laws, regulations, orders, or other restrictions of the U.S. Export Administration regulations. Buyer agrees that neither it nor any of its subsidiaries will export/re-export any technical data, process, products or service, directly or indirectly, to any country for which the United States government or any agency thereof requires an export license or other government approval without first obtaining such license or approval.

21. INTERNATIONAL SALES The International Chamber of Commerce Terms (Incoterms) shall be used when there is an obligation for delivery of goods for international contracts of sale. These terms are as follows:

- FCA (Free Carrier, FCA Albany, Oregon - Freight Collect) Ownership transfers at WC's plant when the goods are loaded on a truck or other carrier at WC's plant and the freight is collect.
- CPT (Carriage Paid to Destination, CPT London - Freight Paid) Ownership transfers when goods are loaded on a truck or other carrier at WC's plant with freight paid by WC to destination. Freight charges are billed to customer.
- CIP (Carriage and Insurance Paid to Destination, CIP London, Freight and Insurance Paid) Similar to "CPT" except includes insurance.
- FOB (Free on Board, FOB Portland - Freight Collect) Ownership transfers when goods are "On Board Ship." WC pays the freight to port of shipment and loading costs.
- DDU (Delivered Duty Unpaid to Destination Port) Ownership transfers when the goods reach the destination port. WC pays freight to the destination port.

22. TERMINATION Either party may terminate this Agreement if the other: (a) breaches any material provision of this Agreement and fails to cure the same within thirty (30) days after receipt of written notice from the other party; (b) files or has filed against it a petition in bankruptcy; (c) has a receiver appointed to handle its assets or affairs; (d) makes or attempts to make an assignment for benefit of creditors; or (e) undergoes a change in control through acquisition or merger.

23. SURVIVAL The obligations of the Sections: Survival, Patent and Copyright Indemnification, Governing Law, Export Restrictions, Nondisclosure, and Limitation of Liability shall survive the expiration or any termination of this Agreement.

24. REJECTION OF GOVERNMENT/MILITARY STANDARDS IF THIS ORDER DOES NOT INCLUDE A GOVERNMENT CONTRACT NUMBER, THEN THIS ORDER IS CONSIDERED COMMERCIAL. WC REJECTS ANY TERMS PROPOSED BY BUYER AT ANY TIME, WHICH WOULD REQUIRE THAT THE GOODS OR SERVICES SUPPLIED BY WC CONFORM TO ANY MILITARY OR OTHER GOVERNMENT SPECIFICATIONS, FEDERAL ACQUISITION REGULATIONS OR OTHER GOVERNMENT PROCUREMENT STANDARDS. ANY SUCH TERMS WOULD CONSTITUTE A MATERIAL ALTERATION OF THE CONTRACT BETWEEN WC AND BUYER.

25. GOVERNMENT/MILITARY TERMS IRRESPECTIVE OF SECTION 24, IF THIS ORDER IS A PRIME CONTRACT WITH A FEDERAL GOVERNMENT PROCUREMENT AGENCY OR INCLUDES A GOVERNMENT CONTRACT NUMBER, THEN WC ACCEPTS INCORPORATION OF THE FOLLOWING CLAUSES INTO THE RESULTANT ORDER, WHERE APPLICABLE. APPLICABLE FOR ALL ORDERS:

FAR 52.203-3 Gratuities
FAR 52.203-5 Covenant Against Contingent Fees
FAR 52.203-6 Restrictions on Subcontractor Sales to the Government
FAR 52.203-7 Anti-Kickback Act
FAR 52.204-2 Security Requirements
FAR 52.210-5 New Material
FAR 52.212-7 Notice of Priority Rating for National Defense Use
FAR 52.212-13 Stop-Work Order
FAR 52.215-1 Examination of Records by Comptroller General
FAR 52.215-22 Price Reduction for Defective Cost or Pricing Data
FAR 52.215-23 Price Reduction for Defective Cost or Pricing Data - Modifications
FAR 52.215-24 Subcontractor Cost or Pricing Data
FAR 52.215-25 Subcontractor Cost or Pricing Data - Modifications
FAR 52.215-26 Integrity of Unit Pricing
FAR 52.215-27 Termination of Defined Benefit Pension Plans
FAR 52.219-13 Utilization of Women-Owned Small Businesses
FAR 52.220-3 Utilization of Labor Surplus Area Concerns
FAR 52.222-1 Notice to the Government of Labor Disputes
FAR 52.222-4 Contract Work Hours & Safety Standards Act - Overtime Compensation
FAR 52.222-22 Previous Contracts and Compliance Reports
FAR 52.222-26 Equal Opportunity
FAR 52.223-1 Clean Air and Water Certification
FAR 52.225-3 Buy American Act - Supplies
FAR 52.225-11 Restrictions on Certain Foreign Purchases
FAR 52.227-1 Authorization and Consent
FAR 52.227-2 Notice and Assistance Regarding Patent & Copyright Infringement
FAR 52.227-10 Filing of Patent Applications - Classified Subject Matter
FAR 52.227-11/12 Patent Rights - Retention by the Contractor
FAR 52.227-14 Rights in Data - General
FAR 52.227-23 Rights to Proposal Data
FAR 52.229-3 Federal, State & Local Taxes
FAR 52.230-2 Cost Accounting Standards
FAR 52.230-3 Disclosure and Consistency of Cost Accounting Practices
FAR 52.230-5 Administration of Cost Accounting Standards
FAR 52.233-1 Disputes
FAR 52.243-1 Changes - Fixed Price
FAR 52.245-2 Government Furnished Property (Fixed - Price)
FAR 52.245-17 Special Tooling
FAR 52.246-2 Inspection of Supplies- Fixed Price
FAR 52.246-11 Higher-Level Contract Quality Requirements
FAR 52.247-63 Preference for U.S. - Air Carriers
FAR 52.247-64 Preference for Privately Owned U.S. - Flag Commercial Vessel Carriers
FAR 52.249-2 Termination for Convenience of the U.S. Government (Fixed Price)
FAR 52.249-8 Default (Fixed-Price Supply and Service)

Additional Clauses If Order Is Greater Than \$2,500

FAR 52.222-36 Affirmative Action for Handicapped Workers

Additional Clauses If Order Is Greater Than \$10,000

FAR 52.219-8 Utilization of Small Business Concerns & Small Disadvantaged Business Concerns
FAR 52.220-20 Walsh-Healy Public Contracts Act
FAR 52.222-21 Certification of Non-Segregated Facilities
FAR 52.222-35 Affirmative Action for Special Disabled and Vietnam-Era Veterans
FAR 52.222-37 Employment Reports on Special Disabled Veterans and Veterans of the Vietnam Era
FAR 52.225-10 Duty-Free Entry

Additional Clauses If Order Is Greater Than \$25,000

FAR 52.203-10 Price or Fee Adjustment for Illegal or Improper Activity
FAR 52.209-6 Protecting the Government's Interest When Subcontracting With Contractors
FAR 52.215-2 Audit - Negotiations
FAR 52.223-3 Hazardous Material Identification and Material Safety Data
FAR 52.227-3 Patent Indemnity
FAR 52.244-5 Competition in Subcontracting
FAR 52.246-23 Limitation of Liability

Additional Clauses If Order Is Greater Than \$100,000

FAR 52.203-8 Requirement for Certificate of Procurement Integrity
FAR 52.203-9 Requirement for Certificate of Procurement Integrity -Modification
FAR 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions
FAR 52.223-2 Clean Air and Water