



A & D Precision, Inc.

4155 Business Center Drive
Fremont, CA 94538
(510) 657-6781 Fax (510) 657-4736

To: RAY THOMPSON
7700 Sandholdt Rd

(831) 775-1700
rayt@mbari.org

A&D Precision thanks you for this opportunity to quote your requirements. We are pleased to submit the following:

Item	Quote#:	Part #	Rev	Description	Qty	Price Ea.	Total	Lead Time
01		ANTENNA STEM			2	\$261.25	\$522.50	4 Weeks ARO
02		BELLOWS CAN			2	\$382.50	\$765.00	4 Weeks ARO
03		BELLOWS CLAMP RING			2	\$285.33	\$570.66	4 Weeks ARO
04		BELLOW END CAP			2	\$382.83	\$765.66	4 Weeks ARO
05		BOTTOM FLANGE			2	\$565.50	\$1,131.00	4 Weeks ARO
06		CPF End Cap			2	\$690.25	\$1,380.50	4 Weeks ARO
07		Elex Module Stem Bracket			8	\$90.04	\$720.32	4 Weeks ARO
08		End Cap Seal Plug			2	\$244.35	\$488.70	4 Weeks ARO
09		Lift Bale			2	\$0.00	\$0.00	NO QUOTE
10		Lift Collar			2	\$325.68	\$651.36	4 Weeks ARO
11		Motor / Pump Bracket			6	\$71.17	\$427.02	4 Weeks ARO
12		Oil Reservoir Bag Hanger			12	\$73.76	\$885.12	4 Weeks ARO
13		Valve Base P-200351-12			2	\$403.83	\$807.66	4 Weeks ARO
14		RE65 Adapter Plate			6	\$98.50	\$591.00	4 Weeks ARO
15		Round Hyd. Manifold			2	\$586.33	\$1,172.66	4 Weeks ARO
16		Round Stem Housing			2	\$367.33	\$734.66	4 Weeks ARO
17		Tapered Ring			2	\$869.33	\$1,738.66	4 Weeks ARO
18		Item #1 Tappered Riser Foot			12	\$40.97	\$491.64	4 Weeks ARO
19		Item #2 Long Riser Channel			6	\$58.32	\$349.92	4 Weeks ARO
20		Item #2 Short Riser Channel			6	\$58.32	\$349.92	4 Weeks ARO
21		Item #3 Thru Hole Foot Riser			12	\$40.97	\$491.64	4 Weeks ARO

Please review this information. If you have any questions, please do not hesitate to call me.

Additional requirements not provided with this quote will be subject to a re-quote or modification of existing quote.

FOB Fremont, CA

All quotes are valid for 15 working days. Please reference this proposal number on your purchase order. Your order will be reviewed and acknowledged, and the final delivery commitment confirmed, upon receipt on purchase order. All orders are subject to A&D Precision's Terms and Conditions of Sale.

Proposal #

AD9105

Rev:

Date: **6/20/2014**

RFQ #:

Page 1 of 2

Return by email or fax.

Terms: COD

Thank you,
Araceli Reynoso

Phone: (510) 657-6781 ex.221

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areynoso@adprecision.com

A&D Precision, Inc. Terms and Conditions of Sales Quotation, Offer to Sell

1.0 AGREEMENT OF THE PARTIES.

These terms and conditions are the exclusive and binding Agreement between A&D Precision, Inc. ("Seller") and the entity to whom this offer is addressed, ("Buyer") pursuant to this offer relating to the purchase of the products or services. Buyer and Seller shall be collectively referred to as the ("Parties"). No change, modification or revision of this offer shall be effective unless in writing and signed by Seller's duly authorized representative or Officer. This offer represents the entire Agreement between the Parties relating to its subject matter and supercedes all prior representations, discussions, negotiations and agreements, whether written or oral, except that any current Non-Disclosure Agreement ("NDA") if any, between the Parties, shall remain in full-force and effect.

2.0 PRICING AND ACCEPTANCE. Prices quoted are valid for 15 days from the date of this offer unless otherwise stated. Except as may be otherwise contemplated by the terms of this Agreement, acceptance of this offer must be made on the exact terms as appear in this Offer to Sell and if additional or different terms are proposed by Buyer they are expressly rejected by Seller, unless agreed to in writing by the Seller and Buyer. This offer, and the terms of the offer and Seller's Contracted Terms and Conditions are deemed accepted by signing and returning one copy of this offer, Buyer's issuance of a Purchase Order, or Electronic Interchange Order. All orders are subject to approval and acceptance, in writing, by Seller. No changes or modifications of any accepted order may be made unless in writing and signed by Seller's authorized representative.

3.0 NRE AND TOOLING CHARGES.

Any tool or engineering charges are to cover partial cost of the necessary tools and fixtures required for the product purchased hereunder. Such tools and fixtures will remain the sole property of Seller.

4.0 PAYMENT TERMS. Terms of payment are effective from the actual date of Invoice. Any late payment by Buyer shall constitute a fundamental breach of Contract, shall result in a service charge against Buyer of the lesser of 2% per month of the Contract amount or the maximum amount permitted by law and will entitle Seller to cancel or delay performance under the Contract. Seller shall retain a purchase money security interest or similar lien or right of repossession in all Products shipped to Buyer under the Contract until paid in full. Buyer shall execute documents and make filings or recordings as requested by Seller for the perfection or other protection of such security interest.

5.0 TAXES. Except as otherwise specified in the offer documents, Seller's prices exclude all applicable federal, state, foreign and local taxes and miscellaneous charges including but not limited to sales and gross receipts and use taxes, ad valorem (property) taxes, duties, custom tariffs, agents fees, imposts and surcharges. Seller shall have no obligation or liability for, and Buyer agrees to indemnify, defend and hold Seller harmless for, any liability for Taxes as well as the collection or withholding thereof, including all penalties and interest, except as required by Law.

6.0 PACKING AND SHIPMENT. Unless otherwise specified by Buyer in writing, all products shall be packed, packaged, marked and otherwise prepared for shipment as follows: (1) in a manner which is in accordance with good commercial practice; (2) in a manner that is acceptable to common carriers for shipment at the lowest rate for the particular products; (3) in accordance with all tariffs, governmental laws and regulations; and (4) in a manner that is adequate to insure safe arrival of the products at the destination. Seller shall mark all containers with necessary lifting, handling and shipping information and also purchase order numbers, date of shipment and the names of the consignee and consignor. Unless agreed in writing by Parties all goods

are sold F.O.B. Seller's factory with Seller reserving the right to select the mode of transportation and routing. THE RISK OF LOSS UNDER THIS AGREEMENT WILL PASS TO THE BUYER IMMEDIATELY UPON TENDER BY SELLER AT THE POINT OF SHIPMENT, DEFINED AS SELLER'S DOCK.

7.0 DELIVERY. Estimates as to the time of delivery are based on conditions prevailing at the date of quotations. Final delivery and shipment dates are determined from the date of receipt of the order and full manufacturing details at Seller's factory. Seller shall not be liable for any late deliveries hereunder where the late delivery has been occasioned by conditions of Force Majeure, acts or order of omissions on the part of carriers or any other circumstances beyond the Sellers control not herein above enumerated.

8.0 WARRANTY. Seller makes no warranties of merchantability or fitness for a particular purpose as to the goods delivered under this agreement. Buyer's exclusive remedy for any claims of defects in material or workmanship shall be the repair or replacement of the defective goods, at Sellers option, of which Seller is notified of in writing within ninety (90) days from the date of delivery. Buyer warrants that no valid patent or trademark has been or will be infringed by any sale or any use of parts covered by this quotation. The maximum warranty period for Seller-manufactured assemblies and components is one (1) year from date of original sale. The maximum warranty period on OEM components supplied by Seller is set at the manufacturers' warranty period at the time of the Buyer's return; in no case does Seller warranty exceed original manufacturers' policy at time of Buyer's return of product. This limitation of warranty extends to OEM components included in Seller-manufactured assemblies.

9.0 INSPECTION. All goods delivered by Seller shall be inspected upon tender to Buyer. Failure of the Buyer to inspect within five (5) days after tender by Seller shall constitute a waiver of Buyer's right to inspect and shall constitute an acceptance of the goods.

10.0 TERMINATION AND CANCELLATION. Orders cannot be terminated, or modified or shipment deferred after acceptance of Buyer's order by Seller, except with Seller's written consent. In the event of cancellation or termination by Buyer of this order before completion thereof, other than breach thereof by Seller, Buyer shall pay to Seller promptly upon receipt of Invoices from Seller (1) Contract price for all products which are complete prior to notice of termination. (2) all actual costs made or incurred by Seller in connection with the uncompleted portion of the order. Such costs shall include tooling, labor, overhead and costs of materials in process or purchased for processing the order. (3) Cancellation charges that the Seller occurs from vendors and commitments made under the order.

11.0 NON-DISCLOSURE OF CONFIDENTIAL MATTER. Products and services provided by Seller pursuant to Buyer's specifications, software, drawings, samples and other data including Sellers customers, business plans and all information marked "confidential" or "proprietary" or the like will not be disclosed to others without the Parties prior written consent. To the extent that there is any conflict between the terms of any effective NDA between the parties and this section 11.0 of this Agreement, the terms of the NDA shall govern.

12.0 INDEMNITY. Buyer shall indemnify, defend and hold Seller and its directors, officers, employees and agents harmless for any claims, demands, liabilities, losses, damages, judgements and settlements, including all reasonable costs and expenses related thereto, including attorney's fees and costs directly or indirectly, arising from any claimed breach of the warranties in Section 8.0, or from any act, omission or service of Seller or any of Seller's employees or agents. Buyer agrees to reasonably notify Seller of a claim pursuant to Section 15.0 and to cooperate at Buyer's expense in the defense thereof. Any obligation to defend, indemnify and hold harmless Seller shall include the right of Seller to choose its own counsel.

13.0 ASSIGNMENT. Assignment by Buyer of this order or any part thereof without the express written consent of Seller shall be void.

14.0 FORCE MAJEURE. Neither Seller nor Buyer shall be required to perform any term, condition or covenant of this Agreement so long as such performance is delayed or prevented by FORCE MAJEURE, which shall mean acts of God, strikes, lockouts, labor restrictions by any governmental authority, civil riot, flood and any other cause not reasonably within the control of Seller or Buyer and which by the exercise of due diligence Seller and Buyer is unable, wholly or in part, to prevent or overcome. The affected party must provide notice to the other party of such failure or delay within three days of the event.

15.0 LIMITATION OF LIABILITY.

(a) SELLER SHALL NOT BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES, OR LOST PROFITS, WHETHER ANY OF THE FOREGOING ARISE FROM CONTRACT, BREACH OF WARRANTY, NEGLIGENCE TORT OR STRICT LIABILITY, EVEN IF SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

(b) IN NO EVENT SHALL SELLER'S LIABILITY TO BUYER EXCEED THE AMOUNT OF THE PURCHASE PRICE STATED ON THE AGREEMENT FOR THE PRODUCTS IN DISPUTE.

(c) BUYER AGREES THAT THE LIMITATION OF LIABILITY SET FORTH IN THIS SECTION 15.0 REPRESENTS A DELIBERATE ALLOCATION OF RISK.

16.0 NOTICE. All notices to be given or served thereunder shall be effective upon receipt at the address appearing on the face of this Agreement, provided that notices to Seller are in writing and specify Seller's authorized agent.

17.0 WAIVER. Waiver by Seller of any breach of any of the terms and conditions set forth herein shall not be construed as a waiver of any other breach, and the failure of Seller to exercise any right arising from any default of Buyer hereunder shall not be deemed to be a waiver of such right which may be exercised at any subsequent time.

18.0 CHOICE OF LAW. This Agreement will be governed by and construed in accordance with the laws of the United States and the laws of the State of California, excluding California's conflict of law provisions.

19.0 CHOICE OF FORUM: ATTORNEY'S FEES. In any litigation arising out of this Agreement, venue shall be in the federal or state court having jurisdiction in Alameda County, California. In any action or proceedings related to or arising out of this order, the prevailing party shall be entitled to its reasonable attorney's fees and costs.

20.0 SEVERABILITY. If any part of this Agreement is found invalid or unenforceable, that part will be amended to achieve as nearly as possible the same economic effect as the original provision and the remainder of this order will remain in full force.

21.0 EXPORT. Buyer shall notify Seller in writing before commencement of production of any products whether such product requires a license from the US or any foreign government in order to export the product from the U.S. or from any country where the product is delivered. Buyer shall provide Seller all information that Seller needs to obtain such export licenses.

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