

justify the continuation of production or shipment of goods ordered on the terms of payment agreed upon, seller, in its sole discretion, may require revision of payment terms to its satisfaction or shall be entitled to cancel or defer any orders or items or quantities thereon then outstanding, without obligation by either purchaser or seller with respect to unshipped goods.

If any payment is not made in full when due, seller is entitled to recover possession of the goods shipped and if they are in purchaser's possession or control the purchaser shall assemble them at a place to be designated by seller. Repossession by seller shall not exclude or modify any remedy provided by law. Also, if payment is not made in full when due, seller may require, with respect to any orders or items or quantities thereon then outstanding, full or partial payment in advance or shall be entitled to cancel or defer any of such orders or items or quantities thereon and shall be entitled to payment by purchaser for all damages.

In the event any proceeding is brought by or against purchaser under any bankruptcy or insolvency laws, seller shall be entitled to any orders or items or quantities thereon outstanding as of the date of such bankruptcy or insolvency. The rights of the seller under this article are cumulative and in addition to all rights available to the seller at law or in equity.

QUOTATIONS

Any price, quantity or condition of sale stated in any quotation is effective for 30 days from the date of quotation unless changed by notice. In the case of domestic exporters only, any price, quantity or condition of sale stated in any quotation is effective for 90 days

from date of quotation unless changed by notice. No quotation shall have any force or effect after 30 days from date of quotation, or in the case of domestic exporters, after 90 days from date of quotation unless effective period of such quotation is expressly extended in writing by seller.

All orders whether or not based upon specific quotations, are subject to acceptance by the seller at its general offices in San Francisco, California.

Seller reserves the right to make design changes for product modernization or improvement subsequent to issuance of quotations.

TAXES

When the seller is required to pay or collect sales, use, or other taxes, the amount will be added to the invoice as a separate item.

LOSS, DAMAGE OR DELAY

Shipping dates are approximate and are based upon prompt receipt of all necessary information. Seller is not liable for loss, damage, detention, or delay due to causes beyond its reasonable control such as: acts of God, acts of the purchaser, acts of civil or military authority, priorities, fires, strikes, floods, epidemics, quarantine restrictions, war, riot, delays in transportation, government restrictions or embargoes, or difficulties in obtaining necessary labor, materials and manufacturing facilities due to such cause.

PATENTS

The seller shall defend any suit or proceeding brought against the purchaser so far as based on a claim that any product, or any part thereof, sold hereunder

constitutes and infringement of any United States patent - other than a claim covering a process or a product thereof - if notified promptly in writing and given authority, information, and assistance (at seller's expense) for the defense of same, and the seller shall pay all damages and costs awarded therein against the purchaser, provided that this agreement shall not extend to any infringement based upon the manufacture, use, or sale of said product or any part or parts thereof, in combination with apparatus or things not furnished by the seller. In case the product, or any part thereof, furnished hereunder is in such suit held to constitute infringement and its use enjoined, the seller shall, at its own expense and at its option, either (1) procure for the purchaser the right to continue using said product or part thereof; or (2) replace the same with a non-infringing product; or (3) modify it so that it becomes non-infringing; or (4) remove said product and refund the purchase price and the transportation and installation costs thereof. The foregoing states the entire liability of the seller with respect to patent infringement by said product or any part thereof.

The preceding paragraph shall not apply to any equipment or product, or any part thereof, manufactured to purchaser's design. As to such equipment or product, or any part thereof, the seller assumes no liability whatsoever for patent infringement.

MODIFICATION, CANCELLATION, OR DEFERMENT BY PURCHASER

Orders or purchase contracts may be modified or canceled, and scheduled shipments may be deferred, only upon purchaser's prior written notice and upon confirmation by seller's revised acknowledgment and upon terms,