

TERMS AND CONDITIONS OF PURCHASE

1. ACCEPTANCE. This Purchase Order (“Order”) is expressly subject to the terms and conditions set forth herein (“Terms and Conditions”). These Terms and Conditions may be modified from time to time without notice and the latest version of this document shall control. The latest version of these Terms and Conditions is available by accessing the web: www.orbotech.com/legal/orbotechinc. The terms hereof shall govern unless Photon Dynamics, Inc. (“Buyer”) accepts Seller’s terms in writing. Buyer hereby expressly rejects any additional or different terms contained in any of Seller’s documentation. Seller’s unqualified acceptance of the terms and conditions hereof shall be evidenced by any lawful means, including, without limitation, Seller’s (i) written acceptance on the reverse hereof or otherwise, (ii) delivery of any conforming goods or services, (iii) beginning of requested performance or (iv) acceptance of any payment under this Order. Seller may not perform under reservation.

2. BLANKET PURCHASE ORDER. Buyer may choose to follow the following Blanket Purchase Order procedure:

(a) Buyer may issue a Blanket Purchase Order, which will include all commercial information other than delivery dates and quantities for each delivery.

(b) Upon receipt of the Blanket Purchase Order, Seller shall commence procurement/production of the products in the entire quantity stated in the Blanket Purchase Order.

(c) Actual shipment shall be made only in accordance with a Blanket Purchase Order placed by Buyer and according to the delivery date designated on such Blanket Purchase Order.

(d) Seller shall ensure that the first shipment of the products (in any required quantity, not exceeding the quantity stated in the Blanket Purchase Order) will be accomplished within the product’s lead-time from the date of the Blanket Purchase Order.

(e) Blanket Purchase Order Releases may be placed by Buyer according to its production plans. Seller shall place a hold on its work in progress (“WIP”) so as to ensure delivery within the agreed reduced lead-time from the date of the Blanket Purchase Order Release.

(f) Except as otherwise specified herein, Buyer will be obligated to purchase products meeting Buyer’s specifications within 18 months from the delivery date specified in the Blanket Purchase Order, in an amount not

exceeding the balance of the quantity specified in the Blanket Purchase Order.

(g) If Buyer cancels part of the Blanket Purchase Order and/or corresponding Order Releases, Buyer shall pay Seller for any WIP, at Seller’s cost, up to the date of the notice of cancellation.

3. PRICE.

(a) Seller shall furnish the goods or services ordered in accordance with the prices stated on the face hereof.

(b) Seller represents that the price(s) to be paid by Buyer does not exceed the price(s) to be paid by any other customer of Seller for goods or services which are the same or substantially similar and purchased in similar quantities and for delivery on similar dates, and that Seller will refund any amounts paid by Buyer in excess of such price(s).

(c) Seller represents that the price(s) quoted to or paid by Buyer includes charges for use of government property, facilities or tooling required by Seller in performance of this order.

4. SETOFF. Buyer shall be entitled at any and all times to set off any amount owing at any time from Seller to Buyer, any of its divisions, subsidiaries or any of its affiliated companies, against any amount payable at any time to Seller by Buyer, any of its divisions, subsidiaries or any of its affiliated companies.

5. PAYMENT. Payment terms will be computed from the date of final acceptance of the goods or services purchased hereunder or from the date of receipt by Buyer of a correct invoice or voucher, whichever is later. Payment shall be deemed to be made, including for the purpose of earning any discount, on the mailing or delivery date of Buyer’s payment, whichever comes first.

6. SALES AND USE TAX EXEMPTION. Buyer hereby certifies that any goods described herein are exempt from sales and use tax unless otherwise noted, because such goods are purchased for resale or will become an ingredient or component part of, or be incorporated into, or used or consumed in, a product manufactured for ultimate sale at retail. If any good described in this Order is noted to be taxable, the prices set forth in this order include all applicable federal, state and local taxes. Any and all such taxes shall be paid by Seller and stated separately on Seller’s invoice or voucher.

7. DELIVERY. Time is of the essence. Delivery shall be strictly in accordance with the schedule set forth in this order. Seller shall notify Buyer immediately when Seller has knowledge of any real or potential delay in delivery, but no such notice shall affect the rights of Buyer hereunder. Seller agrees to absorb the cost of premium transportation necessitated by delayed performance. Buyer reserves the right to cancel this order in whole or in part if Seller fails to make deliveries in accordance with the terms hereof. Furthermore, Seller agrees to pay to Buyer any penalties or damages imposed upon or incurred by Buyer for failure of Seller to deliver goods or services on such delivery date. Seller shall be liable for all excess transportation charges or costs resulting from failure or neglect to follow and meet Buyer's routing instructions or delivery schedules. Unless otherwise agreed in writing, Seller shall not make commitments for material or production in excess of the amount or in advance of the time necessary to meet Buyer's delivery schedule. It is Seller's responsibility to comply with this schedule, but not to anticipate Buyer's requirements. No delivery shall be made prior to the date(s) shown unless Buyer has given prior written consent. Goods shipped to Buyer in advance of schedule may be returned to Seller at Seller's expense. In the event of Seller's inability to supply any or all of the goods or services ordered, Seller shall allocate goods or services to Buyer in quantities no smaller than those allocated to customers purchasing goods and services which are the same or substantially similar and purchased in similar quantities and for delivery on similar dates.

8. OVERSHIPMENT. Buyer will pay only for maximum quantities ordered. Overshipments will be held at Seller's risk and expense for a reasonable time awaiting shipping instructions. Return shipping of overshipped quantities will be at Seller's expense.

9. PACKING AND SHIPMENT. Unless otherwise specified, all goods shall be boxed, crated or stored, packed or packaged, marked and otherwise prepared for shipment in a manner which is (1) in accordance with good commercial practice, (2) acceptable to common carriers for shipment at the lowest applicable rate and in accordance with I.C.C. regulations and (3) adequate to ensure safe arrival of the goods at the designated destination. Seller shall mark each and every package with necessary lifting, handling, bill of lading and other shipping information, purchase order number(s), contents of package by item number or Buyer's part number(s), date of shipment and the names of the consignee and consignor. Loss of or damage to any goods not protected in the aforementioned manner shall be borne by Seller. No charges will be paid by Buyer for any purpose, including, without limitation, for packaging, boxing or cartage, unless specified on the face hereof.

10. F.O.B. POINT. Unless otherwise specifically provided on the face of the order, goods shall be delivered

on an F.O.B. destination basis to Buyer's designated destination(s).

11. WARRANTY. Seller warrants that all goods or services delivered hereunder (a) will conform to the design and specifications and to drawings, samples and/or data as set forth or referred to herein or to other descriptions referred to in this order, (b) will conform strictly to the requirements of the order, (c) will be merchantable and free from defects in material and workmanship, (d) will be fit for the use and purpose intended by Buyer if such use and purpose are disclosed by Buyer to Seller and (e) will be free from all liens and title encumbrances. Such warranties shall survive any inspection, delivery, acceptance or payment by Buyer of or for the goods or services for a period of one year following the date of inspection, delivery, acceptance or payment, whichever occurs last. All warranties referred to herein shall be in addition to warranties provided or implied by law or any warranty which Seller offers to any of its other customers, including the U.S. Government, for the same type or kind and similar quantity of goods or services purchased hereunder, which benefit Buyer. All warranties of Seller herein shall extend to and include Buyer's customer(s). Seller's obligation under this warranty shall include, at the option of Buyer, (a) refunding the purchase price of the defective good or service, (b) replacing, repairing or correcting any defective good or service, (c) reimbursing Buyer for any incidental, special or consequential damages sustained by Buyer as a result of any breach of warranty and (d) any other legal remedies available to Buyer. Buyer shall be promptly reimbursed for all costs and expenses of handling, inspection and return of defective goods. Seller expressly assumes all risk of loss or damage to goods returned by Buyer while the same are in transit.

12. INSPECTION. Buyer shall have the right to inspect and test the goods either at Seller's place of manufacture or distribution destination or any combination thereof. Notwithstanding prior payment or inspection by Buyer, all shipments of goods or services rendered hereunder shall be subject to inspection by and approval of Buyer after arrival of such goods at the destination specified on the face hereof or after such services have been rendered. Acceptance of goods or services shall not occur until final inspection by Buyer has been completed.

13. REJECTED SHIPMENTS AND BUYER'S REMEDIES. If the goods shipped or to be shipped or services rendered hereunder are rejected, in whole or in part, by Buyer by reason of defect in material or workmanship or Seller's failure to comply with any of the terms, conditions, requirements or specifications contained herein, Buyer, after so notifying Seller in writing may either (a) reject them without correction, (b) require their correction, (c) accept them with an adjustment in price, (d) return the entire shipment or the rejected portion of such goods or services to Seller at Seller's expense for full credit

and replacement, (e) hold the entire shipment or the rejected portion of such goods or services for such disposal as Seller shall indicate, without invalidating the remainder of this Order or (f) return the entire shipment or the rejected portion of such goods or services to Seller at Seller's expense for full credit and cancel this Order for any undelivered balance(s) of such goods or services. Defective goods to be returned to Seller shall be returned freight collect. Replacement goods shall be sent freight prepaid from Seller, who will absorb the burden of premium transportation when the defect or replacement goods place critical time or delivery schedule constraints on Buyer. If goods shipped or to be shipped or services rendered are rejected, as hereinabove provided, Buyer may, as it deems commercially practicable, purchase like goods elsewhere and charge Seller with any loss or damage, either direct or indirect, sustained by Buyer (including, but not limited to, lost profits and any difference between the price paid by Buyer for such like goods or services and the price specified on the face hereof), plus all costs of collecting the same (including, but not limited to, attorney's fees and court costs).

14. CHANGES. By written order, signed by Buyer's authorized representative, and only by such written order, Buyer may order work suspension or make changes in quantities, drawings, designs, specifications, place of delivery or delivery schedules, methods of shipment or packaging, and goods and services specified herein. If any such change causes an increase or decrease in the price of the work to be completed, goods to be furnished or services to be rendered or the time of performance thereof, Seller shall make a written claim within 15 days from the date of Buyer's notification and the amount of any price adjustment shall be equitably adjusted in writing by Buyer within 30 days after the date of the change order. Nothing in this section shall excuse Seller from proceeding immediately under the terms of this Order as changed. Seller shall not substitute other materials or revise specifications without the prior written consent of Buyer. Changes made by Seller without a properly authorized change notice to this order shall be at the sole risk of Seller.

15. TERMINATION. Buyer may terminate, cancel or suspend the work to be performed hereunder, in whole or in part, at any time without cause by written notice to Seller. Such notice shall state the extent and effective date of such termination, cancellation or suspension and, upon receipt of such notice, Seller shall comply with the directions pertaining to work stoppage and the placing of further orders or subcontracts hereunder. The parties shall thereupon employ their best efforts to agree by negotiation, within three months, upon the amounts of reimbursement, if any, to be paid to Seller for each termination, cancellation or suspension. Termination, cancellation or suspension under this provision shall not be deemed a breach of contract. The provisions of this paragraph shall not limit or

affect the right of Buyer to terminate this order for cause and shall not apply to a termination for cause. Seller shall mitigate its claim to the maximum extent, and in any event no claims shall exceed the lesser of fair market value or actual costs of raw materials, work in progress materials and finished goods materials which Seller shows were necessary to meet specified delivery schedules based on Seller's standard, published or normal lead time and which cannot be diverted to other uses. No claims shall be asserted or honored for loss of expected profits or for any consequential or incidental damages due to termination, cancellation or suspension.

16. RESPONSIBILITY & INDEMNIFICATION. All work to be performed and all goods or services to be furnished or rendered by Seller hereunder shall be performed or rendered entirely at the risk of Seller. Seller shall defend, indemnify and hold harmless Buyer, its affiliates or parent corporation, their divisions, agents, servants, representatives and employees, respectively, from and against any and all loss (including, without limitation, loss of use), liability (including, without limitation, the injury or death of any person (including, Buyer's employees)), damages (including, without limitation, any and all damage to or loss or destruction of any property (including Buyer's property)), claims, demands, actions or proceedings, and all costs and expenses connected therewith (including, without limitation, attorneys' fees, court costs, and costs and fees related to the enforcement of judgments or agreements), arising directly or indirectly out of or in connection with the performance of work, furnishing of goods or rendering of services by Seller hereunder.

Without limiting the generality of the foregoing, Seller agrees to indemnify and hold Buyer harmless from and against all claims and liens of any and all persons based upon the furnishing of labor or materials in connection with the goods sold or services rendered by Seller hereunder. Seller shall maintain insurance coverage satisfactory to Buyer to cover the above and upon request shall furnish to Buyer appropriate evidence of such insurance. Notwithstanding any prior inspections, and irrespective of the F.O.B. point named herein, Seller shall bear all risk of loss, damage, or destruction to the goods called for hereunder until final acceptance by Buyer. Further, Seller shall also bear the same risks with respect to any goods rejected by Buyer, provided, however, that in either case Buyer shall be responsible for any loss occasioned by the gross negligence of its employees acting within the scope of their employment.

Notwithstanding any language herein to the contrary, in no event shall Buyer's liability exceed a total of \$100,000 in the aggregate

17. SPECIAL TOOLING. Any and all jigs, fixtures, molds, patterns, special gauges, special tapes, special test equipment, manufacturing aids, or other special equipment, or any replacements thereof, or any materials affixed or

attached thereto (“Special Tooling”) at any time furnished to Seller or paid for by Buyer, or the cost of which or any charge or allowance to cover any depreciation or amortization thereof that is included in providing the price specified in this order, or paid for separately by Buyer, or which is based upon any design or process confidential or proprietary to Buyer, shall be and remain the sole property of Buyer. Each item of Special Tooling shall be plainly marked and adequately identified by Seller as property of Photon Dynamics, Inc. and shall be safely stored apart from Seller’s property. Special Tooling, while in Seller’s custody, possession or control shall be kept in good physical condition and shall be replaced by Seller, and Seller shall bear all risk of loss thereof and damage thereto, normal wear and tear excepted. Special Tooling shall be insured by and at the expense of Seller against all risk of loss or damage in an amount equal to the full replacement value with loss payable to Buyer, and Seller will forward proper evidence of such insurance to Buyer upon request. Buyer shall be entitled to sole and exclusive possession of any and all special tooling upon demand, if and when Buyer requests possession. Seller shall prepare such Special Tooling for shipment and shall deliver same to Buyer at Buyer’s expense. Seller shall not directly or indirectly use any Special Tooling paid for by Buyer to or for the benefit of a third party, nor shall Seller ever permit the use of any such Special Tooling so that it accrues to the benefit of any competitor of Buyer or to the detriment of Buyer in any way. Seller agrees not to mortgage, pledge, sell, lease or otherwise encumber, dispose of or subject to a lien or security interest, any Special Tooling which is the subject of or covered by this order.

18. SUBCONTRACTING. Seller shall not subcontract with any other party to furnish any of the completed or substantially completed articles, spare parts, or work herein contracted for without Buyer’s prior written approval.

19. ASSIGNMENTS. Seller shall not assign this Order or any rights or obligations (including the right to receive monies due) hereunder (including, but not limited to, assignment by operation of law) without the prior written consent of Buyer, and any purported assignment without such consent shall be void. However, Buyer may, at its sole discretion, assign its rights and obligations under this Purchase Order, as well as the transaction contemplated by this Purchase Order, to assignees including, but not limited to, its affiliates. Buyer may assign this order at any time if such assignment is considered necessary by Buyer in connection with a merger, acquisition, or sale of substantially all of Buyer’s assets, or a transfer of its obligations or to the government. Seller shall give 30 days’ prior written notice to Buyer of any change in control of the direct or indirect ownership of more than fifty percent (50%) of Seller.

20. PATENTS. Seller warrants that the goods furnished hereunder do not infringe any United States or foreign

patent, trademark, copyright or other intellectual property right, that it will defend any suit that may arise with respect thereto, and that it will defend, indemnify and hold Buyer and its customers harmless from and against all loss which Buyer may incur (including, but not limited to, attorneys’ fees and court costs) by reason of the assertion of any patent, trademark, copyright or other rights, with respect to the goods furnished hereunder, whether by reason of Buyer’s purchase, use, sale or otherwise. However, this indemnity shall not be applicable to any infringement which results from the use of an apparatus patent due to fabrication, installation or operation of such apparatus in accordance with plans or specifications furnished to Seller by Buyer. If any good or part thereof is found to be infringing as set forth in this paragraph, Seller may replace or alter such good or part thereof, so that it becomes noninfringing, or Seller may grant Buyer a credit for the good or part thereof and accept its return. The foregoing is in addition to any remedies Buyer has for damages caused by the infringement.

21. DEFAULT OF SELLER.

(a) Buyer may, by giving notice of default to Seller, cancel or terminate the whole or any part of this Order:

(1) If Seller fails to make delivery of the goods or perform the work or services within the time specified herein or any extension thereof granted by Buyer; or

(2) If Seller fails to perform or comply with any other provision of this Order, or so fails to make progress or to prosecute the work as to endanger the timely performance of this Order, and in either of these two circumstances does not cure such failure or provide adequate assurance of due performance within a period of 10 days after receipt of notice from Buyer specifying such failure; or

(3) If Seller otherwise fails to comply with this Order; or

(4) If any petition in bankruptcy is filed by or against the Seller, in the event Seller is ordered or adjudged bankrupt, upon the insolvency or commencement of the liquidation of Seller, upon the appointment of a receiver for all or a substantial part of Seller’s assets, upon the participation of Seller in any procedure for the settlement of its debts, or upon the seizure or attachment of all or a substantial part of the assets of Seller by means of any judicial or governmental procedure.

(b) In the event that Buyer terminates this Order in whole or in part due to Seller’s default and whether or not Buyer has in fact terminated all or only a part of this order, Buyer, in addition to recovering so much of the price as has been paid, may procure, upon such terms and in such manner as Buyer may deem appropriate, goods, work or services similar to those so terminated, and Seller shall be liable to Buyer for any costs in excess of the purchase price for such similar items, work or services, and Seller shall, in addition,

be liable to Buyer for any incidental and consequential damages sustained or incurred by Buyer as a result thereof (but less any costs or expenses saved by Buyer in consequence of the Seller's breach). If Buyer terminates this Order as provided in this section, Buyer may require Seller to transfer title and deliver to Buyer (1) any completed supplies and (2) such partially completed supplies and other materials as seller has specifically produced or acquired for such part of this Order as has been terminated. In all events the Seller shall continue the performance of this Order to extent not terminated under the provisions of this section. In addition to, and not limited by, any other rights of Buyer hereunder, upon any rightful rejection, Buyer shall have a security interest in any goods in its possession or control for any payments made on account of the price hereunder as part of the consideration for this Order. No cancellation charges or other damages shall be payable by Buyer for goods or services terminated hereunder which are not delivered within the time specified herein or any extension thereof granted by Buyer.

(c) In the event of any breach or default by Seller hereunder, Seller shall, on demand by Buyer, pay Buyer's reasonable costs (including, without limitation, attorneys' fees and costs) incurred in enforcing its rights and remedies as provided for herein, in addition to any other amounts due hereunder.

22. ADVERTISING. Seller shall not, without first obtaining the written consent of Buyer, in any manner advertise, publish or disclose the fact that Seller has contracted to sell Buyer the goods or services purchased hereunder.

23. PROPRIETARY INFORMATION. Seller hereby agrees that all information contained in documents, drawings, publications, specifications, schedules and the like received from Buyer for the performance of this Order is received in confidence and is the proprietary property of Buyer and that such information will not be transmitted, reproduced, used or disclosed to any person or organization by Seller (except as may be necessary for the performance of work required to be done under this order) without the express written approval of Buyer. Such information shall promptly be returned to Buyer at Buyer's request upon completion of this Order.

24. COMPLIANCE WITH LAWS AND REGULATIONS. Seller warrants that it will comply with all federal, state and local laws and regulations, and all orders and regulations of the executive and other departments, agencies or instrumentalities of the United States Government applicable to the work to be performed, the goods to be furnished or the services to be rendered hereunder. Award of this Order is specifically subject to Seller's compliance with (a) Section 202 of Executive Order No. 11246, as amended; (b) the Occupational Safety and Health Act of 1970; (c) the Robinson Patman Act of 1936, as amended, 15 U.S.C. § 13; the Walsh Healy Public

Contracts Act; and (e) Section 12 of the Fair Labor Standards Act, as amended, whenever applicable. Buyer is subject to the California Transparency in Supply Chains Act (S.B. 657 § 2), and therefore Seller, as one of Buyer's suppliers, must agree to fully comply with said Act. Seller will also take appropriate due diligence and continuous monitoring of its supply chain as is reasonably necessary to avoid procurement or use of raw materials sourced from regions of the world known as "conflict regions," including, without limitation, conflict minerals that directly or indirectly finance or benefit armed groups in the Democratic Republic of the Congo or an adjoining country, as such terms are defined in Section 1502 of the US Dodd-Frank Wall Street Reform and Consumer Protection Act. Seller further agrees to fully support Buyer's efforts to keep its supply chain free from such conflict metals and make its due diligence measures available to Buyer for review upon request. The parties agree that they have not and will not violate anti-corruption laws, including the United States Foreign Corrupt Practices Act of 1977 ("FCPA"). In connection therewith, both parties represent and warrant that none of their employees, officers, or principals, or his or her close family member is an official or representative of any government or is a candidate for such position. In conformity with the FCPA and the parties' established corporate policies regarding foreign business practices, both parties further represent and warrant that their employees, agents, and representatives have not and will not directly or indirectly make any offer, payment, promise to pay or authorize payment, or offer a gift, promise to give, or authorize the giving of anything of value for the purpose of influencing an act or decision of any official of any government, a political party or official thereof, a candidate for political office, including a decision to act, or ask or encourage any such person to use his influence to affect any governmental act or decision in connection with both parties or any of affiliates' business. The parties agree to comply with all United States Government export controls laws, including without limitation, the Export Administration Regulations ("EAR", 15 CFR 730-774) administered by the U.S. Department of Commerce, Bureau of Industry and Security, and the International Traffic in Arms Regulations ("ITAR", 22 CFR 120-130) administered by the U.S. Department of State, Directorate of Defense Trade Controls. Prior to the delivery of goods Seller agrees to notify Buyer if such goods to be delivered or sold to Buyer pursuant to this Order are listed on the U.S. Munitions List ("USML") of ITAR or the Wassenaar Munitions List ("ML") or if the goods are prohibited from export under the EAR. Seller will send notification to Buyer's purchasing manager with Seller part number and the applicable Commercial Control List ("CCL"), USML and/or Wassenaar ML category number.

During the course of the relationship between the parties, Seller may have access to or possession of personal or private information of Buyer or its customers. Such data

may be protected by various laws, rules and regulations. Accordingly, Seller shall comply with all applicable privacy and data protection laws, rules and regulations which are or which may in the future be applicable to the terms of this Agreement, including without limitation: (i) the Gramm-Leach-Bliley Act (15 U.S.C. § 6801, *et seq.*) and related security regulations (12 C.F.R. Part 364, App. B); (ii) the Massachusetts Data Security Regulation under 201 CMR 17; and (iii) provisions of the Health Insurance Portability and Accountability Act, as amended (“HIPAA”) and 45 CFR §§ 160-164.

25. GOVERNMENT CONTRACT PROVISIONS.

(a) If this order is issued pursuant to a United States Government contract, then the word Buyer shall be construed to mean Buyer and the Government.

(b) If any material is incorporated into products sold under a United States Government contract or subcontract, the subcontractor’s terms of that contract or subcontract shall apply to this order for that material.

26. MODIFICATION, SEVERABILITY & WAIVER.

No change or modification of the terms hereof shall have force or effect unless made by a member of Buyer’s Purchasing Department in writing specifically referencing this Order. If any provision of this Order or any part hereof shall be invalid or unenforceable, such provision or part shall be deemed severed, and the remainder hereof shall be given full force and effect. Failure of Buyer to require Seller’s strict performance of or authorization by Buyer permitting Seller to deviate from any term, condition or specification set forth in this Order, or exercise any election or option provided herein, shall not be construed as a waiver of Buyer’s rights to require strict performance of the same or any other term, condition, or specification in the future, nor in any way affect the validity of this agreement or any part hereof.

27. APPLICABLE LAW. This Order shall be governed by, subject to and construed, and all disputes hereunder shall be settled in accordance with the laws of the State of California. Litigation by Seller to enforce its rights may be brought only in a court of competent jurisdiction within the State of California. Buyer may file suit in any court in California or in any jurisdiction where its rights may be threatened, and judgment may be enforceable in any state or country. The parties consent to the exclusive jurisdiction of such courts and consent to the service of process by registered or certified mail or overnight courier.

28. ENTIRE AGREEMENT. This Order constitutes the entire agreement between the parties and shall not be affected in any way for any reason (including, without limitation, trade usage, past practice or prior agreement or dealings) not expressly set forth herein.

29. RIGHTS OF BUYER. Buyer retains the right to renegotiate prices and adjust shipping schedules and specifications.

30. FORCE MAJEURE. If, by reason of fire, earthquake, flood, explosion, accident, difference with or inability to secure workmen, lack of material, lack of facilities, act of God or of any public enemy, voluntary or involuntary compliance with any valid or invalid law, order, regulation, request or recommendation of any governmental agency or authority, lack of transportation facilities, failure of source of supply, or any cause which is beyond the immediate and direct control of Buyer, whether or not of the kind or nature hereinabove specified, or if performance by Buyer hereunder has been made commercially impracticable by the occurrence of a contingency the nonoccurrence of which was a basic assumption on which this Order was issued, Buyer may, by giving written notice to Seller:

(a) Cancel this Order in whole or in part as to any undelivered portion of such goods or unrendered portion of such services; or

(b) Suspend, in whole or in part, deliveries of goods or the rendering of services during the continuance of and to the extent of such cause.

Seller’s remedies for Force Majeure shall be as specified in Section 2615 of the Uniform Commercial Code.

31. NOTICE OF LABOR DISPUTE.

(a) Whenever an actual or potential labor dispute delays or threatens to delay performance under this Order, Seller shall immediately give notice thereof. Such notice shall be confirmed in writing and shall contain all information relevant to the dispute.

(b) Seller agrees to include this paragraph in all subcontracts issued under this Order.

32. REPRODUCTION OF DOCUMENTATION.

Buyer shall have the right at no additional charge to use or reproduce Seller’s applicable literature, such as operating and maintenance manuals, technical publications, prints, drawings, training manuals and other similar supporting documentation and sales literature. Seller agrees to advise Buyer of any updated information relative to the foregoing literature and documentation with timely written notice.

33. WORLDWIDE PROCUREMENT. Seller shall offer the same unit prices and appropriate terms of this order to any other segment of Buyer, including its divisions, subsidiaries or any of its affiliated companies, regardless of location, seeking to buy from Seller the same or substantially similar goods or services as purchased hereunder, provided that such does not violate applicable law.