8. SUBSTITUTION AND MODIFICATIONS
ATS shall have the right to make substitutions and modifications in the specifications or products sold by ATS provided that such substitution or modifications will not affect overall product performance.

9. CANCELLATION
This contract may be canceled by Buyer only upon payment of cancellation charges as follows:

<table>
<thead>
<tr>
<th>Days Prior to Scheduled Shipment</th>
<th>Cancellation Charges</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-15 days</td>
<td>30% of purchase price</td>
</tr>
<tr>
<td>16-30 days</td>
<td>40% of purchase price</td>
</tr>
<tr>
<td>31-60 days</td>
<td>60% of purchase price</td>
</tr>
<tr>
<td>61-90 days</td>
<td>80% of purchase price</td>
</tr>
<tr>
<td>Less than 30 days</td>
<td>100% of purchase price</td>
</tr>
</tbody>
</table>

In case of special products or standard products with special modifications, this contract may only be canceled by Buyer upon payment of a cancellation charge which equals 100% of purchase price.

10. PATENT INFRINGEMENT
ATS agrees that it will, at its own expense, defend all suits or proceedings instituted against Buyer that are based on any claim that the equipment or any part furnished under this contract infringes any patent of the United States, provided Buyer gives to ATS immediate notice in writing of the institution of the suit or proceedings and permits ATS to defend the same and gives ATS all needed information, assistance, and authority to do so. ATS, however, shall not be held responsible for infringements of combination patents or process patents covering the use of this equipment in combination with other equipment or materials not furnished by ATS. In case the equipment furnished by ATS in such suit is held in and of itself to constitute infringement and its use enjoined, ATS, within a reasonable time, will, at its option, secure for Buyer the right to continue using said equipment by suspension of the injunction by procuring for Buyer a license or otherwise, or replace such equipment with non-infringing equipment, or remove the enjoined equipment and refund the same, paid, less a reasonable sum for use and damage. These provisions, however, shall not apply to any patented equipment, device, or parts supplied by Buyer but not manufactured by ATS. THE FOREGOING STATES THE EXCLUSIVE LIABILITY AND OBLIGATION (EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE) OF ATS ARISING OUT OF ANY INFRINGEMENT OR CLAIM OF INFRINGEMENT OF ANY INTELLECTUAL PROPERTY RIGHT.

11. ACCEPTANCE OF SOFTWARE LICENSE
If the product contains any software or firmware packages licensed by ATS, Buyer agrees to abide by the terms of the applicable ATS software license. Such applicable license may not be transferred, assigned, or sublicensed to any third party.

12. SECURITY INTEREST
ATS reserves a purchase money security interest in goods sold and the proceeds thereof, in the amount of the purchase price. In the event of default by Buyer in any of its obligations to ATS, ATS shall have the right to reposess the goods sold hereunder without liability to Buyer. These security interests will be satisfied by payment in full. A statement of the invoice may be filed with appropriate authorities at any time as a financing statement and/or chattel mortgage to perfect ATS's security interest. On request of ATS, Buyer shall execute financing statements and other instruments that ATS may request to perfect ATS's security interest.

13. DATA AND PROPRIETARY RIGHTS IN DATA
Portions of the data supplied are proprietary to ATS. ATS retains for itself all proprietary rights in and to all designs, engineering details, and other data pertaining to any product sold unless such rights are assigned under written agreement by a corporate officer of ATS. Buyer shall not disclose ATS proprietary data to any third party without prior written consent from ATS, and Buyer shall only use such data in connection with the ATS products.

14. SALE CONVEYS NO LICENSE
The products are offered for sale and are sold by ATS subject in every case to the condition that such sale does not convey any license, expressly or by implication, estoppel or otherwise, under any patent claim with which respect to which ATS can grant licenses covering complete equipment, or any assembly, circuit combination, method or process in which such any such products are used as components. ATS expressly reserves all its rights under such patent claims.

15. COMPLIANCE WITH LAWS
Unless specifically included herein, ATS does not represent that its products meet any local, state, or federal laws, ordinances, regulations, and the like. Compliance with such requirements is the responsibility of Buyer.

16. ENTIRE AGREEMENT
The terms and conditions as set forth herein shall constitute the entire agreement between ATS and Buyer. ATS shall not be bound by any terms of Buyer's order which are inconsistent with the terms herein set forth. Acceptance by Buyer of these terms may be made either by written acceptance, or by Buyer taking delivery of any products described on the ATS invoice.

This contract may not be modified, supplemented, qualified or interpreted by any trade usage or prior course of dealing not made a part of the contract by the express terms. Buyer hereby acknowledges that he has not entered into this agreement in reliance upon any warranty or representation by any person or entity except for the warranties or representations specifically set forth herein.

17. WAIVER
The failure by ATS to enforce at any time any of the provisions of this contract, or to exercise any election or option provided herein, shall in no way be construed as a waiver of such provisions or options, nor in any way affect the validity of this agreement or the right of ATS to enforce each and every such provision.

18. DISPUTE RESOLUTION
This contract shall be construed and the legal relations between the parties determined in accordance with the laws of the State of California, United States of America, applicable to contracts made and to be performed therein. The state courts of the County of Santa Clara, State of California (or if there is exclusive federal jurisdiction, the United States District Court for the Northern District of California) shall have exclusive jurisdiction over any dispute under the terms of this Agreement, and Buyer hereby consents to the jurisdiction of such courts. In the event of any legal action to enforce any right under this Agreement, the prevailing party shall be entitled to collect its reasonable attorney's fees and costs.

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