

CONDITIONS OF SALE

For the Serendipity Sealed Bid Auction

The following Conditions of Sale, as amended by any published or posted notices during the bidding period, constitute the entire terms and conditions on which the subject property (lots) shall be offered for sale or sold by Bonhams & Butterfields Auctioneers Corp. and the consignor of such property for whom we act as agent. As used herein, “Bonhams,” “we” and “us” refer to Bonhams & Butterfields Auctioneers Corporation.

1. The *Serendipity Sealed Bid Auction* lots (consisting of approximately sixty-eight (68) lots of with various shelving amounts) are being offered for sale by sealed bid auction, and these Conditions of Sale govern that process, which differs from the public auctions typically held by Bonhams. For the purposes of this sale, a sealed bid auction is an auction in which bidders submit written bids for a fixed price by a specified deadline, which bids remain undisclosed to the other bidders. Prospective bidders are invited to personally inspect and view the lots prior to submitting a bid. Previews are by appointment only.

The bids must be submitted in the appropriate form and manner and received by the stated deadline, at which time all complete, legitimate bids will be reviewed by Bonhams on behalf of the consignor. Bonhams will determine the highest legitimate bid among those submitted for each lot and, subject to any reserve price, the highest legitimate bid will be declared the successful bid. The successful bidder for each lot will be notified within approximately two (2) days following the close of the bidding period. Bonhams reserves the right to withhold publication of the successful bid price at its discretion.

The process for submitting a legitimate bid for a lot is as follows:

The bid must be submitted in writing on the designated Bid Form for the Serenity Sealed Bid Auction available on the Bonhams website or from our Client Services Department.

The bid must be made for a stated fixed price in US dollars.

The Bid Form must be filled out completely and must be originally signed by the bidder.

Bids must be submitted and received pursuant to these Conditions of Sale during the “bidding period”, which for purposes of this sale means the period of time prior to 5:00 PT on Monday, June 17, 2013.

Bids shall be transmitted by certified mail, hand delivery, confirmed facsimile, or emailed so that they are **received** by Bonhams by 5:00 PT on Monday, June 17, 2013 delivered care of:

Adam Stackhouse, Specialist
Fine Books & Manuscripts
Bonhams
220 San Bruno Avenue
San Francisco, CA 94103
PH: (415) 503 3266
FAX: (415) 861 8951
Adam.Stackhouse@bonhams.com

Although Bonhams will use reasonable efforts to acknowledge receipt of legitimate bids, it is each bidder’s responsibility to ensure that they have confirmed timely receipt of their bid by Bonhams.

Bids received in any other format or manner, and any incomplete bids, untimely bids, or bids submitted without the required supporting documentation, may not be deemed legitimate bids hereunder. In the event that more than one legitimate bid is received for the same highest bid price, then the bid that is recorded as first received will take precedence.

2. The *Serendipity Sealed Bid Auction* lots are located off-site. Bonhams shall not be liable for any loss, damage or injury sustained by any person while viewing or collecting the lots from the third party premises where the lots are located, except where such loss, damage or injury is caused by the sole negligence or intentional act of Bonhams, its agents or employees. Any prospective bidder or purchaser who damages a lot, whether negligently or intentionally, will be held liable for all resulting damage and loss and shall pay or reimburse Bonhams (and its principal or agent, as the case may be) in full to rectify the same.

3. As used herein, the term “successful bid price” means the bid price declared by Bonhams to be the highest legitimate bid submitted for the lot hereunder. The term “purchase price” means the aggregate of the successful bid price plus a PREMIUM retained by us and payable by the purchaser EQUAL TO 25% OF THE SUCCESSFUL BID PRICE, and (unless the purchaser is exempt by law from the payment thereof) any California, Arizona, Colorado, Connecticut, Georgia, Illinois, Massachusetts, Nevada, New York, Pennsylvania, Texas, Washington, D.C., Washington state, or other state or local sales tax (or compensating use tax) and other applicable taxes.

4. The person submitting the successful bid shall have purchased the offered lot in accordance and subject to compliance with all of the conditions set forth herein and (a) assumes full risk and responsibility therefor, (b) if requested will sign a confirmation of purchase, and (c) will pay the purchase price in full. No lot may be transferred. Any person placing a bid as agent on behalf of another (whether or not such person has disclosed that fact or the identity of the principal) may be jointly and severally liable with the principal under any contract resulting from the acceptance of a bid.

Unless otherwise agreed, payment in good funds is due and payable within five (5) business days following the close of the bidding period, or by 5:00 PT on Monday, June 24, 2013. Payment will not be deemed made in full until we have collected good funds for all amounts due.

Payment for purchases may be made in or by (a) cash, (b) by cashier's check or money order, (c) personal check with approved credit drawn on a U.S. bank, (d) wire transfer or other immediate bank transfer, or (e) Visa, MasterCard, American Express or Discover credit, charge or debit card. A processing fee will be assessed on any returned checks. Please note that the amount of cash notes and cash equivalents that can be accepted from a given purchaser may be limited.

The purchaser grants us a security interest in the property, and we may retain as collateral security for the purchaser's obligations to us, any property and all monies held or received by us for the account of the purchaser, in our possession. We retain all rights of a secured party under the California Commercial Code.

If the foregoing conditions or any other applicable conditions herein are not complied with, in addition to other remedies available to us and the consignor by law, including without limitation, the right to hold the purchaser liable for the purchase price, we at our option may either (a) cancel the sale, retaining as liquidated damages all payments made by the purchaser or (b) resell the property, either publicly or privately, including offering it to the second highest bidder, and in such event the purchaser shall be liable for the payment of any deficiency plus all costs and expenses of both sales, our commission at our standard rates, all other charges due hereunder, attorneys' fees, expenses and incidental damages. In addition, where two or more amounts are owed in respect of different transactions by the purchaser to us, to Bonhams 1793 Limited and/or to any of our other affiliates, subsidiaries or parent companies worldwide within the Bonhams Group, we reserve the right to apply any monies paid in respect of a transaction to discharge any amount owed by the purchaser. If all fees, commissions, premiums, bid

price and other sums due to us from the purchaser are not paid promptly as provided in these Conditions of Sale, we reserve the right to impose a finance charge equal to 1.5% per month on all amounts due to us beginning on the 31st day following the sale until payment is received, in addition to other remedies available to us by law.

5. We reserve the right to withdraw any property and to divide and combine lots at any time before such property's auction.

6. We reserve the right to reject any bid that has not been submitted in the prescribed form or manner within the bidding period, from any bidder. In the event of any dispute between bidders, or in the event we doubt the validity of any bid, we shall have sole and final discretion either to determine the successful bidder or to re-offer and resell the article in dispute. If any dispute arises after the sale, our sales records shall be conclusive in all respects.

7. If the subject lot is offered subject to a reserve, and we may reject any bid which does not equal or exceed the reserve.

8. If we are prevented by fire, theft or any other reason whatsoever from delivering any property to the purchaser or a sale otherwise cannot be completed, our liability shall be limited to the sum actually paid therefor by the purchaser and shall in no event include any compensatory, incidental or consequential damages.

9. All statements contained on the Bonhams' website, or in any bill of sale, condition report, invoice or elsewhere as to authorship, period, culture, source, origin, measurement, quality, rarity, provenance, importance, exhibition and literature of historical relevance, or physical condition ARE QUALIFIED STATEMENTS OF OPINION AND NOT REPRESENTATIONS OR WARRANTIES. No employee or agent of Bonhams is authorized to make on our behalf or on that of the consignor any representation or warranty, oral or written, with respect to any property.

10. Following notification of being the winning bidder, the buyer will have two (2) business days to schedule pick-up of the purchased lot(s), which must take place at some time prior to July 8, 2013 –*i.e.* twenty-one (21) days from the close of sale, to arrange for and remove all property comprising their winning lots from Bonhams at its cost. To arrange for removal, the winning bidder must contact Adam Stackhouse of Bonhams' Fine Books & Manuscripts Department. Packing and handling of purchased lots are the sole responsibility of the purchaser.

11. The copyright(s) in all promotional materials produced or distributed regarding the lots belong to Bonhams or its licensors. Bidders and purchasers will not reproduce such text, photographs, digital images or illustrations without our prior written consent.

12. These Conditions of Sale shall bind the successors and assigns of all bidders and purchasers and inure to the benefit of our successors and assigns. No waiver, amendment or modification of the terms hereof (other than posted notices or oral announcements during the sale) shall bind us unless specifically stated in writing and signed by us. If any part of these Conditions of Sale is for any reason invalid or unenforceable, the rest shall remain valid and enforceable.

13. These Conditions of Sale and each bidder, purchaser, and our respective rights and obligations hereunder are governed by the laws of the State of California.

By participating in this auction, each bidder and the purchaser agrees to be bound by these Conditions of Sale. Any dispute, controversy or claim arising out of or relating to this agreement, or the breach, termination or validity thereof, brought by or against Bonhams (but not including claims brought against the consignor by the purchaser of lots consigned hereunder) shall be resolved by the procedures set forth below.

Mediation and Arbitration Procedures

(a) Within 30 days of written notice that there is a dispute, the parties or their authorized and empowered representatives shall meet by telephone or in person to mediate their differences. If the parties agree, a mutually acceptable mediator shall be selected and the parties will equally share such mediator's fees. The mediator shall be a retired judge or an attorney trained in mediations and familiar with commercial law. Any statements made during the mediation process shall not be admissible in any subsequent arbitration or judicial proceeding. The proceedings and any resolution shall be confidential and the terms governing arbitration set forth in paragraph (c) below shall govern.

(b) If mediation does not resolve the dispute, or in any event no longer than 60 days after receipt of the written notice of dispute referred to above, the parties shall submit the dispute for binding arbitration before a single neutral arbitrator. Such arbitrator shall be a retired judge or an attorney familiar with commercial law and trained in or qualified by experience in handling arbitrations. Such arbitrator shall make all appropriate disclosures required by law. The arbitrator shall be drawn from a panel of a national arbitration service agreed to by the parties, and shall be selected as follows: (i) If the national arbitration service has specific rules or procedures, those rules or procedures shall be followed; (ii) If the national arbitration service does not have rules or procedures for the selection of an arbitrator, the arbitrator shall be an individual jointly agreed to by the parties. If the parties cannot agree on a national arbitration service, the arbitration shall be conducted by the American Arbitration Association, and the arbitrator shall be selected in accordance with the Rules of the American Arbitration Association. The arbitrator's award shall be in writing and shall set forth findings of fact and legal conclusions.

(c) Unless otherwise agreed to by the parties:

- (i) the arbitration shall occur within 60 days following the selection of the arbitrator;
- (ii) the arbitration shall take place in the City of San Francisco, California; and
- (iii) discovery and the procedure for the arbitration shall be as follows:

- (A) All arbitration proceedings shall be confidential;
- (B) The parties shall submit written briefs to the arbitrator no later than 15 days before the arbitration commences;
- (C) Discovery, if any, shall be limited as follows: (I) Requests for no more than 10 categories of documents, to be provided to the requesting party within 14 days of written request therefor; (II) No more than two (2) depositions per party, provided however, the deposition(s) are to be completed within one (1) day; (III) Compliance with the above shall be enforced by the arbitrator in accordance with California law;
- (D) Each party shall have no longer than eight (8) hours to present its position. The entire hearing before the arbitrator shall not take longer than three (3) consecutive days;
- (E) The award shall be made in writing no more than 30 days following the end of the proceeding. Judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. Each party shall bear its own attorneys' fees and costs in connection with the proceedings and shall share equally the fees and expenses of the arbitrator.

Disclaimer of Warranties and Limitation of Liability

ALL PROPERTY IN THIS AUCTION (INCLUDING ALL BOOKS, MANUSCRIPTS, AND MISCELLANEOUS ITEMS CONTAINED THEREIN) IS SOLD “**AS IS – WHERE IS**” AND “**WITH ALL FAULTS**”. NEITHER BONHAMS NOR THE CONSIGNOR MAKES ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE MERCHANTABILITY, FITNESS OR CONDITION OF THE PROPERTY OR AS TO THE CORRECTNESS OF DESCRIPTION, GENUINENESS, ATTRIBUTION, PROVENANCE OR PERIOD OF THE PROPERTY (INCLUDING ALL BOOKS, MANUSCRIPTS, AND MISCELLANEOUS ITEMS CONTAINED THEREIN) OR AS TO WHETHER THE PURCHASER ACQUIRES ANY COPYRIGHTS OR OTHER INTELLECTUAL PROPERTY RIGHTS IN LOTS SOLD OR AS TO WHETHER A WORK OF ART IS SUBJECT TO THE ARTIST’S MORAL RIGHTS OR OTHER RESIDUAL RIGHTS OF THE ARTIST. THE PURCHASER

EXPRESSLY ACKNOWLEDGES AND AGREES THAT IN NO EVENT SHALL BONHAMS BE LIABLE FOR ANY DAMAGES INCLUDING, WITHOUT LIMITATION, ANY COMPENSATORY, INCIDENTAL OR CONSEQUENTIAL DAMAGES.

PROSPECTIVE PURCHASERS ARE STRONGLY ENCOURAGED TO CONDUCT THEIR OWN INDEPENDENT INSPECTION AND INVESTIGATION OF THE LOTS ON OFFER TO SATISFY THEMSELVES AS TO ALL ASPECTS OF EACH LOT PRIOR TO BIDDING THEREON. THERE IS NO RIGHT OF RESCISSION OR RETURN FOR THE PROPERTY OFFERED AND SOLD IN THIS SEALED-BID AUCTION. ALL SALES ARE FINAL.