

**HEATH COMPANY**  
BENTON HARBOR, MICHIGAN 49022

William E. Johnson  
President

July 25, 1983

Mr. William E. Perry, President  
Trionyx Electronics Inc.  
P.O. Box 5131  
Santa Ana, California 92704

Dear Mr. Perry:

Effective immediately, Heath will discontinue manufacture and sale of its H-8 computer, and expansion cards and other accessories for the H-8. Heath will continue to supply spare parts for the H-8, upon request.

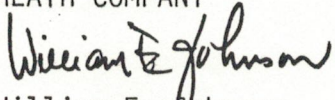
Trionyx has indicated a desire to manufacture and sell expansion cards and other accessories for the H-8. Heath is willing to gratuitously release to Trionyx for its use, information which may be of use in designing and manufacturing hardware and/or software for the H-8. As the need for such information arises, itemized listings similar to Attachment 1 will be prepared.

Heath will not, of course, have anything to do with the design, specifications, quality or performance of the products built by Trionyx for the H-8. We want you to understand, therefore, that we will not permit Trionyx to make any representation to anyone that could possibly be construed to suggest a connection, agreement or affiliation between Heath and Trionyx, or an indorsement by Heath of any Trionyx product for the H-8, or that could possibly lead a potential purchaser to believe a Trionyx product originated with Heath Company.

Each page of each document Heath will supply carries a notice which expresses Heath's disclaimer of any warranty or liability with respect to products manufactured by Trionyx for the H-8 (see Attachment 2). I am sure you can understand our concern for not wishing to incur any liability exposure in connection with products manufactured by Trionyx.

Very truly yours,

HEATH COMPANY

  
William E. Johnson  
President

WEJ/rs  
att

cc: Jack Kail