

BELT TECHNOLOGIES TERMS AND CONDITIONS

1. **ACCEPTANCE.** This quotation does not constitute a firm offer by Belt Technologies. (Herein "Seller"), but is an invitation for your purchase order. All purchase orders are subject to final acceptance by Seller at its plant in Massachusetts, as Massachusetts contracts. These terms of sale shall not be varied.
2. **PRICES.** All prices quoted and deliveries are F.O.B. seller's plant in Massachusetts. Unless otherwise specified, this quotation is for orders in the quantities shown herein and shall be void unless Buyer's order is received by Seller within thirty (30) days from the date hereof. All orders are subject to final acceptance by a duly authorized representative of Seller.
3. **FREIGHT CHARGES.** If carrier requires freight to be prepaid, an additional charge will be made for freight and handing. A documentation fee will be added for all freight collect shipments.
4. **TERMS OF PAYMENT.** Terms are established based on the Buyers credit position and purchasing history with the Seller. Open credit terms may be granted on a net cash 30 days basis; interest at 1 ½ % per month will be charged on overdue invoices, together with costs of collection. If in Belt Technologies' judgment, the financial condition of the Buyer, at any time during the manufacturing period or at the time the merchandise is ready for shipment, does not justify continuance of the work or shipment of the merchandise, Belt Technologies may, at its option, require full or partial payment in advance or may cancel any order or part thereof.
5. **PACKING.** No charge will be made by Seller for packing or casing any material shipped in Seller's standard packages. Where special cases are required or other than standard packing is necessary, the expense thereof will be charged to the Buyer.
6. **TAXES.** Any excise, retail sales or use taxes imposed by any taxing authority in respect to the material specified herein shall be for the account of Buyer and, if paid or required to be paid by Seller, the amount thereof shall be added to the price payable by Buyer.
7. **DELAYS.** Seller shall not be responsible for any delays in deliveries which are directly or indirectly caused by or due to strikes, differences with workmen, transportation delays, fires, floods, riots, accidents, war, government orders, restrictions or interferences, shortage of labor, fuel power, materials or supplies, or any cause beyond Seller's control.
8. **VARIATIONS.** Seller reserves the right to overship or undership ten percent (10%) of the amount ordered unless it is otherwise specifically agreed, wherein the Selling Price shall be adjusted based upon the amount of overshipment or undershipment. Claims for any undershipments must be made within seven (7) days following receipt of goods, and Seller shall provide the undershipped goods at Buyer's cost and expense.
9. **INDEMNIFY AGAINST PATENT INFRINGEMENT.** Seller disclaims any and makes no warranty that products sold are free from claims of patent, copyright, trademark or intellectual property infringement of any description. With respect to all products

manufactured, either in whole or in part, to the Buyer's specifications, the Buyer will indemnify and hold Seller harmless against all claims for damages arising from alleged patent, copyright or trademark infringement, and will pay for all damages, costs, and attorney's fees that might arise in the course of Seller's defense. In the event that Buyer becomes aware of any claims of infringement made against it by any third party resulting from Seller's performance under this Terms and Conditions, Buyer shall notify Seller in writing of such claim(s) of infringement within three (3) days of Buyer's receipt of such claim(s) of infringement. Seller shall then, at its sole option, have the right to terminate this Terms and Conditions.

10. DEFECTS

- A. **WARRANTY.** Seller warrants to Buyer all of the products sold by it to Buyer for a period of thirty (30) days from date of shipment against defects in material (but only if Seller furnished such material) and workmanship only. Notice of any claimed defect must be given to Seller in writing within thirty (30) days from date of shipment and Seller shall be given the right of inspection while the product is in the claimed defective condition. Seller's sole obligation shall be to replace or rework, at its option and free of charge, any product found defective upon inspection (the "Defective Product"). In the event Seller decides to replace or rework the Defective Product, Seller shall be given a reasonable amount of time in which to replace or rework the Defective Product as based upon industry standards. In case of any claim of defect in material or workmanship, Buyer, at Seller's request, shall, at Buyer's own expense, promptly return by the same means of transportation the goods (the "Claimed Defective Product") to Seller for examination under this warranty. Seller shall have ninety (90) days from receipt of the Claimed Defective Product in which to make the inspection set forth immediately above in this Section 10.A.
- B. **EXCLUSION OF OTHER WARRANTIES.** Seller's products are manufactured to quoted specifications; either published or provided by the Buyer, and are not designed or manufactured to necessarily meet any particular purpose or use. **SELLER ' S ONLY WARRANTY IS THAT ANY PRODUCTS SOLD WILL CONFORM SUBSTANTIALLY TO THE SPECIFICATIONS PUBLISHED OR PROVIDED BY THE BUYER, AND THE SELLER MAKES NO WARRANTY OF MERCHANTABILITY OR THAT THE PRODUCTS ARE SUITABLE FOR ANY PARTICULAR PURPOSE. THE FOREGOING WARRANTY AND REMEDY ARE IN PLACE OF ALL OTHER WARRANTIES, GUARANTEES, OR REPRESENTATIONS, INCLUDING WARRANTIES OF MERCHANTABILITY EXPRESS OR IMPLIED, ARISING OUT OF THE WORK BY SELLER AND OF ITS PRODUCTS, AND ANY AND ALL OBLIGATIONS OR LIABILITIES OF SELLER TO BUYER OR ANY THIRD PARTY BASED ON TORT OR OTHER GROUNDS ARISING OUT OF THE WORK BY SELLER AND THE SALE, USE OR POSSESSION OF SELLER'S PRODUCT.**

- C. ADJUSTMENTS. To insure that adjustments may be effected as promptly as possible, the following procedure will apply:
1. Prior to the return of parts for adjustments, it is necessary that the Buyer request a formal C.O.R.D. (Change of Repair Document). Requests should be directed to Seller. When requesting the C.O.R.D., the following information shall be included in the C.O.R.D. request:
 - a. Buyer's order number on which the material was received;
 - b. Quantity of material received, sampled, rejected and sampling plan used;
 - c. Description of material rejected; and
 - d. Reason for rejection.
 2. If material is to be returned for inspection, a C.O.R.D. with instructions for shipping will be sent to Buyer. Products returned without a C.O.R.D. will be returned to Buyer at Buyer's expense. Seller will not be responsible for material returned unless accompanied by a C.O.R.D. number.
 3. All items for examination and adjustment should be packed as carefully as when originally received, using a package having at least the equivalent of the original packing material.
 4. Replacement in kind will be made on all materials, parts, and parts assemblies found defective, and delivered to Buyer at Seller's sole cost and expense. Seller reserves the right, however, to issue credit for defective articles where availability makes replacement impractical. All materials, parts, and parts assemblies not found defective, as determined solely by Seller, will be returned to the Buyer at Buyer's sole expense.

11. LIMITATIONS ON DAMAGES.

- A. Under no circumstances shall Seller be liable for Buyer's consequential damages such as lost profits, labor costs or other expenses, or claims of third parties. As to any claim of loss, damage, or destruction of Buyer's property while in Seller's possession or otherwise, Seller's maximum liability shall be limited to the raw material value thereof or Seller's price for services rendered or to be rendered on the specific goods, whichever is lesser. Any suit for damages under this contract not instituted within six (6) months of Seller's declination of liability shall be forever barred. These limitations on damages shall remain in force even if there is a finding that the limited remedies have caused any warranty to fail of its essential purpose.
- B. Seller's liability to third parties shall be limited to Seller's own direct negligence and in all other cases Buyer shall indemnify Seller against any payment to third

persons as well as attorney's fees and all of the costs and expenses.

12. CONFIDENTIAL INFORMATION.

- A. For purposes of these Terms and Conditions only, the term "Confidential Information" shall mean the following:
1. Any information, know-how, data, process, technique, design, drawing, program, formula or test data, work in process, engineering, manufacturing, marketing, financial, sales, supplier, customer, employee, investor, or business information, whether in oral, written, graphic, or electronic form, or
 2. Any document, diagram, drawing, computer program or other communication which is either conspicuously marked "confidential," known or reasonably known by the other party to be confidential, or is of a proprietary nature and is learned or disclosed in the course of discussions, studies, or other work undertaken between the parties.
- B. Both Parties and their respective employees and agents agree that during the effectiveness of these Terms and Conditions and forever thereafter, the recipient of Confidential Information will not at any time disclose to any party or use for its own benefit or the benefit of anyone, Confidential Information of the other party without the prior express written consent of said party.
- C. The parties agree to promptly deliver to the other any documents reflecting Confidential Information and any copies made thereof which the recipient of said information may have made, may have access to, or may receive or possess during the effective period of these Terms and Conditions. Upon termination of the business relationship between the parties, the recipient of Confidential Information shall promptly deliver to the other party any and all such information in its possession or under its control, except as the parties by prior express written permission or agreement have agreed to retain.
- D. The parties agree that their mutual covenant not to disclose Confidential Information shall not apply to any information or data or other materials imparted to the extent that any of the following conditions exist or come into existence:
1. Information which, at the time access is gained, is already in the recipient's possession or available to it or its employees from any other source having no obligation to the party which is the source of said information.
 2. Such information which is, or any time hereafter becomes, available to the public.

3. Such information which, after access is gained to the disclosure, is at any time obtained by the recipient from any other person, firm or company having no obligation to or relationship with the source of said information.
 - E. Neither Party shall be liable for disclosure of Confidential Information if made in response to a valid order of a court or authorized agency of government, provided that ten (10) days notice first be given to the other party so a protective order, if appropriate, may be sought by such party.
13. **OWNERSHIP OF INTELLECTUAL PROPERTY.** Rights to inventions or patentable ideas, in any form which are developed or discovered in connection with work performed under Buyer's order, shall remain the sole property of Seller unless otherwise agreed to by and between Buyer and Seller in a separate written agreement. Furthermore, any work product generated by Seller in the performance of its obligations under these Terms and Conditions and with or without the assistance of Buyer, and any intellectual property subsisting in such work product, shall be exclusively owned by Seller, and Buyer acknowledges that it will execute any and all documents necessary to ensure that Seller is the exclusive owner in law and in equity of the work product. As used herein and throughout, the phrase "work product" shall include, and not be limited to, trade secrets, know-how, designs, drawings, computer-generated models, tooling, notes, journals, and the like generated or prepared by Seller, with or without Buyer's assistance, in Seller's performance of its obligations to Buyer under these Terms and Conditions.
14. **CHANGES.** After acceptance by Seller of Buyer's purchase order, any change of specifications or terms of that order may be made only with Seller's written consent to a change which Seller shall determine sufficient to cover its additional costs and profit. Any assignment of rights hereunder by either party without the prior written consent of the other party shall be void.
15. **CANCELLATION.** Orders accepted by Seller are not subject to cancellation except with Seller's consent and after arrangement of terms which will indemnify Seller for any losses or damages occasioned by such cancellation, including Seller's lost profit and costs of collection, including reasonable attorney's fees.
16. **CONTROLLING TERMS.** The within-named terms and conditions shall supersede, control and prevail over any inconsistent or conditions contained in Buyer's purchase order, and no oral understanding, agreement or other modification of the terms and conditions set forth herein shall have any force or effect whatever unless confirmed in writing by Seller. **THEREFORE, ACCEPTANCE OF BUYER'S ORDER IS EXPRESSLY MADE CONDITIONAL ON BUYER'S ASSENT TO THESE TERMS AND CONDITIONS. THE BUYER 'S ACCEPTANCE OF PRODUCTS DELIVERED HEREUNDER SHALL BE DEEMED TO BE AN UNQUALIFIED ASSENT TO THE PROVISIONS OF THESE TERMS AND CONDITIONS. SELLER'S FAILURE TO OBJECT TO PROVISIONS CONTAINED IN ANY COMMUNICATIONS FROM THE BUYER SHALL NOT CONSTITUTE A WAIVER OF THE PROVISIONS OF THE TERMS AND CONDITIONS HEREIN.** The fact that the wording of these terms and

conditions have been provided by one party or the other shall not affect their interpretation.

17. **TOOLING.** All tooling quoted herein will remain the property of Seller unless otherwise stated. Buyer shall not be entitled to the exclusive use of such tooling for the manufacture of its product, unless otherwise specified. Such tools may be disposed of by Seller in any manner, unless some other disposition is mutually agreed upon in writing by Buyer and Seller within thirty (30) days after the expiration of such order.
18. **MATERIAL.** Orders for processing metal belts, fabricated parts, assemblies or other items using customer-supplied material are accepted subject to the delivery of the material at the time, in the amount and in dimensions as specified by Seller, F.O.B. Seller's factory. Buyer shall furnish satisfactory material, and if it is necessary for Seller to inspect, gauge or rework such material, it shall be at the Buyer's expense. Material so provided by the Buyer shall be delivered F.O.B. Seller's factory in such quantities as will permit continuous operation. Production will be started only when, in Seller's sole judgment, sufficient material is in Seller's possession to warrant setting up equipment. Title and risk of loss to the customer-supplied material shall remain in the Buyer from date of delivery to Seller's factory until delivery of the processed goods to Buyer. Buyer shall provide such insurance and proof thereof as Seller may reasonably require.
19. **SIZE AND TOLERANCES.** Quotations are preferably made based on Buyer's prints. When quotations are made based on samples or otherwise, the dimensions on which the quotation is based will be stated. Buyer will have an authorized person approve all designs made by Seller. Seller will correct any errors in Seller's designs mutually agreed upon, but will assume no liability for corrections to the designed products. The Buyer will allow extra charges for authorized changes.
20. **SECURITY TITLE.** Security title and right of possession of the products manufactured and sold hereunder shall remain with the Seller until all payments hereunder shall have been made in full in cash, and the Buyer agrees to do all acts necessary to perfect and maintain such security right and title in the Seller and hereby appoints Seller its agent in fact to perform said acts on Buyer's behalf.
21. **ARBITRATION & WAIVER OF JURY TRIAL.** Any claim or controversy arising out of, or relating to, this quotation or any products delivered by Seller to Buyer shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association to be held at the address of the Seller, and judgment upon the award rendered by the Arbitrator may be entered in any court having jurisdiction thereof. Seller and Buyer each hereby waive any right to a jury trial.

BELT TECHNOLOGIES, INC. TERMS AND CONDITIONS OF EQUIPMENT SALE

I. GENERAL. Belt Technologies, Inc. ("BELT") offers to sell BELT Equipment ("Equipment") to the buyer ("BUYER") subject to the following terms and conditions ("the Contract"). Acceptance is expressly limited to the Contract. Any additional or inconsistent terms or conditions are automatically objected to and shall be of no effect and not binding upon BELT. Failure to object to any additional or inconsistent terms is not an acceptance. The contents of any previous agreements, documents, and discussions are superseded by this Contract. This Contract consists of the "Sales Order" and the terms and conditions stated here. BUYER may not assign this Contract. The fact that the Contract's wording has been provided by one party or the other shall not be considered in its construction or interpretation. No modification is binding unless in writing and signed by an authorized representative of the party to be bound.

II. PRICES. Unless otherwise agreed, all prices are Ex Works ("EXW") and do not include transportation costs, off-loading expense or insurance. All prices may be withdrawn at any time prior to BELT's acceptance and will not be effective for more than thirty (30) days after their first offer. All prices do not include any federal, state or local taxes, fees, or other related charges ("Taxes"). All Taxes shall be paid by BUYER who shall hold harmless and indemnify BELT for all Taxes required to be paid. In lieu thereof, BUYER shall provide a tax exempt certificate or other document acceptable to the authority imposing Taxes. Taxes payable or paid by or assessed against BELT will be paid by BUYER upon presentation of BELT's invoice.

III. PAYMENT TERMS

A. Unless otherwise stated in the Sales Order, the payment terms of this Contract are: (a) fifty percent (50%) of the contract amount is due and payable upon BUYER'S execution of the Sales Order and these terms and conditions; (b) an additional thirty percent (30%) of the contract amount is due and payable upon shipment; and (c) the final twenty percent (20%) of this contract amount is due and payable thirty (30) days after the date of delivery of the Equipment to a carrier EXW. All payment schedules are subject to BELT's approval, and all payments are to be in United States Dollars. Failure to make any payment when due shall be a default of this Contract.

B. Prompt payment is of the essence of this Contract. Invoice or payments not paid when due are subject to a service charge of the higher of (i) one and a half percent (1.5%) per month or (ii) the highest rate allowed by law. If BUYER's credit shall any time, in BELT'S judgment, become impaired, BELT may, without incurring any liability, divert or prevent the discharge of shipments en route to BUYER and cancel any untitled portion of the order. In any such instance, BELT reserves the right to ship the order and make collection by sight draft with Bill of Lading attached or on a COD basis or any other terms approved by BELT.

C. If any dispute arises or if BUYER refuses to take or accept delivery, BUYER shall have no right to withhold any payment when due on the grounds of such dispute or failure. All sums due shall be payable in full without any setoff by BUYER.

IV. CANCELLATION. BELT may terminate this Contract if (1) BUYER fails to perform or comply with this Contract, (2) a petition under the Bankruptcy Act or any similar federal or state statute is filed by or against BUYER, or (3) any application for the appointment of a receiver, for the making of a general assignment for the benefit of creditors by, or the insolvency of, BUYER is made. If this Contract is terminated, BUYER shall pay a cancellation fee equal to the initial payment made under this Contract. Said fee shall constitute liquidated damages since the actual damages which may be suffered are not readily ascertainable. Payment of the cancellation fee, together with unencumbered title to the Equipment remaining vested in BELT, is a reasonable substitute for actual damages as liquidated damages. Both parties agree that said liquidated damages are a reasonable approximation of the damages suffered by BELT and that BELT shall have no responsibility to account for the proceeds from the Equipment's resale. CANCELLATION FEES ARE IMMEDIATELY PAYABLE AND MAY BE DEDUCTED FROM BUYER'S DEPOSIT UPON NOTICE.

V. DELIVERY. Delivery dates are approximate. BELT will use reasonable efforts to meet the quoted shipping date but shall not be liable for failure to do so.

VI. SECURITY INTEREST. Until the full purchase price has been paid, BUYER grants BELT a Purchase Money Security Interest ("PMSI") in the Equipment, all additions and accessions thereto and all replacements, products and proceeds thereof to secure payment of the purchase price. In connection therewith, BUYER shall execute such documents as BELT may require. BUYER hereby appoints BELT as attorney-in-fact to perform all acts deemed necessary to perfect and continue to perfect the PMSI. At BELT'S option, BELT may withhold delivery of Equipment until all documents necessary to perfect the PMSI have been executed.

VII. FORCE MAJEURE. BELT shall not be liable for any failure to perform its obligations hereunder which result from BUYER's action or inaction, or other causes beyond BELT's reasonable control, including but not limited to acts of God, acts of war, strikes, lockouts, boycotts, or other labor difficulties, inability of BELT to obtain timely delivery of parts, materials or services from its usual supply source; provided, however, that no such cause will excuse BUYER'S obligation to timely payment of all sums of money due hereunder, with respect to which time is of the essence.

VIII. PERIOD OF LIMITATION OF ACTION. No action arising out or in connection with this Contract or the Equipment shall be brought more than one (1) year after the cause of action accrues.

IX. APPLICABLE LAW. This Contract shall be construed and enforced under the Laws of the Commonwealth of Massachusetts as though it were made in and to be fully performed therein. All rights and remedies in any way related to the parties' relationship, whether or not arising out of this Contract or the formation and scope thereof, and determinations as to the extent to which such rights and remedies exist, are to be governed by the Laws of the Commonwealth of Massachusetts. BUYER agrees to the jurisdiction of any court sitting in Hampden County, Massachusetts. In the event any provision or part of this Contract is or becomes invalid or illegal in whole or in part, such provision shall from that time be deemed amended so as to, as nearly as possible, be consistent with the intent expressed in this Contract. If this be impossible, such provisions or part thereof shall be deemed deleted, but shall not in any way invalidate any of the remaining provisions.

X. ATTORNEY'S FEES. The prevailing party shall recover from the other reasonable attorney's fees and costs incurred for any legal action or arbitration with respect to this Contract's performance.

XI. WARRANTY.

A. BELT warrants to BUYER and BUYER only that the Equipment shall be free from defects in workmanship and material for a thirty (30) day period from the delivery date to a carrier EXW, and BELT agrees, subject to BELT's evaluation, to, at BELT's option, repair or replace EXW all defective Equipment or parts thereof which are returned within fifteen (15) days of issuance of BELT's written authorization provided that (1) BELT receives prompt written notice of such defects, (2) BELT issues prior written authorization to BUYER to return such parts at BELT's sole expense, wherein such prior written authorization shall not be unreasonably withheld, and (3) all returned parts become the property of BELT. BELT will require time to carry out any repairs or replacements which shall not extend the warranty period. Correction of such defects by repair or replacement shall constitute BUYER's sole and exclusive remedy and the fulfillment of all of BELT's obligations in respect to the Equipment. ALTERATION, MODIFICATION OR UNAUTHORIZED REPAIR OF THE EQUIPMENT, SUBSTITUTION OF PARTS NOT APPROVED BY BELT, IMPROPER INSTALLATION OR MISUSE BY BUYER OR ANY THIRD PARTY VOIDS THIS WARRANTY.

B. It is agreed that except for such repair and replacement, BELT shall not be liable for damages of any kind connected with the Equipment, its use or failure to function properly. If BELT fails to repair or replace any defective parts, BUYER agrees that the exclusive measure of damages for such breach shall be the reasonable cost of repair or replacement of the defective part(s) at the time of the breach.

C. THIS WARRANTY IS PERSONAL TO BUYER AND IS EXPRESSLY IN LIEU OF ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, IN CONNECTION WITH THE DESIGN, SALE, MERCHANTABILITY OR FITNESS OF THE EQUIPMENT FOR PARTICULAR PURPOSE OR USE, AND OF ANY OTHER OBLIGATIONS OR LIABILITY ON BELT'S PART, WHETHER IN CONTRACT, TORT, STRICT LIABILITY, PRODUCT LIABILITY OR OTHERWISE. BELT NEITHER ASSUMES NOR HAS AUTHORIZED ANY PERSON TO ASSUME FOR IT ANY OTHER WARRANTY OR LIABILITY IN CONNECTION WITH THE EQUIPMENT. IT IS SPECIFICALLY UNDERSTOOD AND AGREED THAT BELT DOES NOT UNDERTAKE TO DO MORE OR OTHER THAN TO CONVEY TO BUYER BELT'S RIGHT, TITLE AND INTEREST IN AND TO THE EQUIPMENT; NOR SHALL PROOF OF DEALINGS OR TRADE USAGES INCONSISTENT WITH THE TERMS HEREOF BE ADMISSIBLE TO EXPAND THIS OBLIGATION.

D. BELT DOES NOT REPRESENT OR WARRANT THAT THE EQUIPMENT WILL COMPLY WITH ALL STANDARDS OR REQUIREMENTS OF LAWS, REGULATIONS, STANDARDS OR GUIDELINES FOR THE REGULATION OR PROTECTION OF OCCUPATIONAL SAFETY AND HEALTH WHICH ARE OR MAY BE IN FORCE IN ANY JURISDICTION. BELT EXPRESSLY DISCLAIMS ANY RESPONSIBILITY FOR ANY FAILURE TO COMPLY WITH ANY SUCH LAWS, REGULATIONS, STANDARDS OR GUIDELINES.

E. In the case of components or units purchased by BELT from other suppliers,

BELT's obligations hereunder shall be limited to giving BUYER the benefit of any warranty BELT may receive from the supplier of such components or units.

XII. LIMITATION OF LIABILITY.

A. BELT SHALL NOT BE LIABLE FOR EXEMPLARY, SPECIAL, INCIDENTAL, CONSEQUENTIAL AND PUNITIVE DAMAGES BASED ON TORTIOUS ACTS OR OMISSIONS BY BELT IN ANY WAY RELATED TO THIS CONTRACT OR THE EQUIPMENT AND SHALL NOT BE LIABLE TO BUYER OR ANY PARTY CLAIMING THROUGH BUYER FOR ANY DAMAGES ARISING OUT OF ACTIONS OR OMISSIONS BY PERSONS OTHER THAN BELT AND FOR ANY DAMAGES ARISING OUT OF THE CLAIM THAT THE EQUIPMENT INFRINGES ANY PATENT OR PATENT RIGHT OR ANY OTHER INTELLECTUAL PROPERTY RIGHT OF A THIRD PARTY, AND BELT SHALL NOT BE LIABLE FOR ANTICIPATED PROFITS OR LOSS OF PRODUCTION OR FOR ANY OTHER DAMAGES WHETHER CONSEQUENTIAL, SPECIAL, INCIDENTAL, PUNITIVE, ARISING OUT OF OR IN CONNECTION WITH THE SALE, DESIGN, MANUFACTURE, DELIVERY, INSTALLATION, MAINTENANCE, REPAIR, USE, OPERATION OR DISMANTLING OF THE EQUIPMENT OR RELATED SERVICES. NOTWITHSTANDING THE ABOVE, BELT'S LIABILITY ON ANY CLAIM OF ANY KIND SHALL NOT EXCEED THE PURCHASE PRICE ACTUALLY PAID AND ALLOCABLE TO THE EQUIPMENT OR PART THEREOF WHICH GIVES RISE TO THE CLAIM. IT IS AGREED THAT SAID LIMITATION AND THE EXCLUSION OF SAID DAMAGES SHALL REMAIN IN FULL FORCE AND EFFECT EVEN IF THIS CONTRACT'S REMEDIES FOR BREACH OF WARRANTY FAIL OF THEIR ESSENTIAL PURPOSE AND SHALL SURVIVE ANY CANCELLATION OR OTHER TERMINATION OF THIS CONTRACT.

B. This section shall apply to all disputes between the parties. Without limiting the liability of the foregoing, it is acknowledged that this limitation includes a lack of liability for any loss of actual or anticipated revenue or profits, loss of actual or anticipated value of the business of either party, and damage to the business reputation of either party, except as otherwise stated.

C. All equipment is sold in reliance on BUYER'S agreement and covenant that the Equipment will be operated only when all safety and protective devices are in place, have been properly maintained, function properly and are being used, regardless whether such Equipment has been shown to Buyer (in person or in photographs, films, video, brochures or otherwise) with safety devices removed to provide better visual presentation. BELT does not warrant compliance with the U.S. Occupational Safety and Health Act, nor does BELT warrant compliance with BUYER'S standards, requirements, and conditions which may be part of BUYER'S inquiry or order. The Equipment may not comply with local electrical codes, NEMA, ANSI, or other standards. If such compliance is mandatory, BUYER is required to so inform BELT in writing when BUYER seeks a price quotation.

XIII. CONFIDENTIAL INFORMATION.

A. For purposes of these Terms and Conditions only, the term "Confidential Information" shall mean the following:

1. Any information, know-how, data, process, technique, design, drawing,

program, formula or test data, work in process, engineering, manufacturing, marketing, financial, sales, supplier, customer, employee, investor, or business information, whether in oral, written, graphic, or electronic form, or

2. Any document, diagram, drawing, computer program or other communication which is either conspicuously marked "confidential," known or reasonably known by the other party to be confidential, or is of a proprietary nature and is learned or disclosed in the course of discussions, studies, or other work undertaken between the parties.

B. Both Parties and their respective employees and agents agree that during the effectiveness of these Terms and Conditions and forever thereafter, the recipient of Confidential Information will not at any time disclose to any party or use for its own benefit or the benefit of anyone, Confidential Information of the other party without the prior express written consent of said party.

C. The parties agree to promptly deliver to the other any documents reflecting Confidential Information and any copies made thereof which the recipient of said information may have made, may have access to, or may receive or possess during the effective period of these Terms and Conditions. Upon termination of the business relationship between the parties, the recipient of Confidential Information shall promptly deliver to the other party any and all such information in its possession or under its control, except as the parties by prior express written permission or agreement have agreed to retain.

D. The parties agree that their mutual covenant not to disclose Confidential Information shall not apply to any information or data or other materials imparted to the extent that any of the following conditions exist or come into existence:

1. Information which, at the time access is gained, is already in the recipient's possession or available to it or its employees from any other source having no obligation to the party which is the source of said information.

2. Such information which is, or any time hereafter becomes, available to the public.

3. Such information which, after access is gained to the disclosure, is at any time obtained by the recipient from any other person, firm or company having no obligation to or relationship with the source of said information.

E. Neither Party shall be liable for disclosure of Confidential Information if made in response to a valid order of a court or authorized agency of government, provided that ten (10) days notice first be given to the other party so a protective order, if appropriate, may be sought by such party.

XIV. OWNERSHIP OF INTELLECTUAL PROPERTY.

A. Rights to inventions or patentable ideas, in any form which are developed or discovered in connection with work performed under BUYER's order, shall remain the sole property of BELT unless otherwise agreed to by and between BUYER and BELT in a separate written agreement. Furthermore, any work product generated by BELT in the performance of its obligations under these Terms and Conditions and with or without the assistance of BUYER, and any intellectual property subsisting in such work product, shall be exclusively owned by BELT, and BUYER acknowledges that it will execute any and all documents necessary to ensure that BELT is the exclusive owner in law and in equity of the work product. As used herein and throughout, the phrase "work product" shall include, and not be limited to, trade secrets, know-how, designs, drawings, computer-generated models, tooling, notes, journals, and the like generated or prepared by BELT, with or without BUYER's assistance, in BELT's performance of its obligations to BUYER under these Terms and Conditions.

XV. INDEMNIFICATION. BUYER AGREES TO DEFEND, INDEMNIFY, AND HOLD HARMLESS BELT, ITS AGENTS, OFFICERS, DIRECTORS, AND MANUFACTURER FROM AND AGAINST ALL CLAIMS, LOSSES, COSTS, DEMANDS, DAMAGES, AND LIABILITIES OF WHATEVER NATURE, INCLUDING WITHOUT LIMITATION, CLAIMS OF BODILY INJURY OR DEATH AND PERSONAL PROPERTY DAMAGE WHICH IN ANY WAY ARISE OUT OF OR ARE RELATED TO BUYER'S FAILURE TO COMPLY WITH THIS CONTRACT REGARDLESS OF WHETHER OR NOT SUCH CLAIM OR DAMAGE STEMS IN WHOLE OR IN PART FROM BUYER'S NEGLIGENCE OR OTHER ACT. BELT SHALL GIVE BUYER PROMPT NOTICE OF THE COMMENCEMENT OR ASSERTION OF ANY SUCH CLAIM, ACTION, OR DEMAND, RESERVING TO ITSELF ITS RIGHT TO APPROVE ANY SETTLEMENT AND MAY, AT ITS OPTION OFFER TO DEFEND SUCH CLAIM, ACTION OR DEMAND.

XVI. ARBITRATION. Except for actions seeking only equitable or injunctive relief or the payment of sums due which are uncontested, all disputes and controversies arising out of or in connection with this Contract, the relationship of the BUYER and BELT or the Equipment shall be submitted to arbitration with the American Arbitration Association ("AAA") Office with jurisdiction over Springfield, Massachusetts. The parties agree to hold the arbitration hearings in Springfield, Massachusetts. The commercial arbitration rules of the AAA are hereby incorporated by reference as amended by this Contract. Notwithstanding any provision of those rules or any other rule or law, punitive damages are not recoverable. The arbitrator is not empowered to grant damages in any form or amount in excess of the payments required under this Contract nor shall the arbitrator be authorized to alter, change, amend, modify, add to or subtract from any provision herein. Any award rendered shall be final and binding upon all parties, and all parties hereby consent to the finality of said award, agree to comply therewith and agree that a judgment enforcing said award may be rendered by any court of competent jurisdiction over any party to the award or any property subject to the award with the cost of any said enforcement action, including all attorney fees incurred in the prosecution thereof, to be added to the award. This arbitration provision is a complete defense to any suit, action or proceeding brought under or in connection with this Contract or the Equipment, except for an action seeking only injunctive or equitable relief or the payment of sums due which are uncontested. This provision shall survive this Contract.