

I. Application of the Purchasing Conditions

1. These Purchasing Conditions apply to all suppliers to Optibelt Corporation US – hereinafter referred to as Optibelt Corporation.
2. These Purchasing Conditions apply to all contracts which are entered into after June 1st, 2021 and whose preponderant object is the **delivery of goods** to Optibelt Corporation. Additional obligations assumed by the supplier do not affect the application of these Purchasing Conditions.
3. Conflicting or differing terms and conditions or other **terms of business of the supplier** do not apply and do not bind Optibelt Corporation even if Optibelt Corporation does not object to them or even if Optibelt Corporation unconditionally renders performance or accepts the supplier's performance. To the fullest extent allowed by law, these Purchasing Conditions are intended to modify statutory provisions applicable to the buyer-seller relationship of the parties. In the event of a conflict between these Purchasing Conditions and a statutory provision concerning the buyer-seller relationship of the parties, the provisions of these Purchasing Conditions shall apply. In accordance with IX.-5, the parties are bound to replace any ineffective provision or ineffective part of a provision with a legally valid and enforceable provision as close as possible to the commercial meaning and purpose of the ineffective provision.

II. Formation of the Contract

1. The supplier is under an obligation to give **written notice to Optibelt Corporation** prior to the formation of the contract if the goods to be delivered are not merchantable, are not fit without restrictions for the particular purpose made known to the supplier or for the purpose provided in the contract, if particular safety provisions are to be observed when dealing with the goods to be delivered, or if a risk to health, safety or the environment or a risk of atypical damages or unusual amounts of loss is associated with the goods to be delivered of which the supplier is or ought to have been aware. Furthermore, the supplier is under an obligation to give written notice to Optibelt Corporation prior to the formation of the contract if assertions regarding the goods to be delivered made by the supplier or by third parties in adverts, prospectuses or other public announcements or in any communications made to Optibelt Corporation, whether in or outside the U.S., of which the supplier is or ought to have been aware, cannot in each and every respect be complied with.
2. **Offers of the supplier** have to be set out in writing. If the supplier's offer deviates from the inquiry or order submitted by Optibelt Corporation, the supplier will emphasize the **differences** as such. Pictures and drawings accompanying the contract as well as details of amounts, size and weight are binding.
3. Orders may be placed only by employees of Optibelt Corporation, and all orders placed by employees of Optibelt Corporation will **take effect only if followed by a written acknowledgement** of the order by Optibelt Corporation. The actual taking of delivery of the goods, the payment for such goods, and/or any other conduct of Optibelt Corporation or silence or inaction on the part of Optibelt Corporation does not allow the supplier to assume the formation of the contract. Optibelt Corporation can dispatch such written acknowledgement of the order up to and including fourteen (14) **calendar days after** the supplier's offer has been received by Optibelt Corporation. Until this time, the supplier's offer is irrevocable.
4. The written **acknowledgement of the order** by Optibelt Corporation shall be **received in time** if it is received by the supplier within fourteen (14) calendar days after its date of issue. The supplier will inform Optibelt Corporation without delay, if the written acknowledgement of the order is received with a delay.
5. The written acknowledgement of the order by Optibelt Corporation, **which the parties agree automatically incorporates**

and is subject to these Purchasing Conditions, sets out all the **terms of the contract** and brings the contract into effect even if – except for the purchase price and the quantity to be delivered – the written acknowledgement deviates from the declarations of the supplier in any other way, especially with reference to the exclusive application of these Purchasing Conditions. The contract will only fail to come into existence if the **supplier objects in writing** that the written acknowledgement of the order by Optibelt Corporation is not completely consistent with the declarations of the supplier, the supplier specifies the deviations in writing, and the objection is received by Optibelt Corporation within a short time, at the latest seven (7) calendar days, after receipt of the written acknowledgement of the order by the supplier.

6. Any restriction on Optibelt Corporation's legal rights or on the rights granted by these Purchasing Conditions, including, but not limited to, any restriction or exclusion of, or any limitation to, Optibelt Corporation's contractual or statutory rights and remedies, and any restriction or exclusion of, or any limitation to, guarantees, warranties or assurances given by the supplier in relation to the goods or the execution of the contract, require **expressed written confirmation** signed by an officer of Optibelt Corporation in advance in every case.

7. Order confirmations produced by the supplier are of **no effect** whatsoever, whether or not objected to by Optibelt Corporation. Indeed, neither the actual taking of delivery of the goods, the payment for goods, nor any other conduct of Optibelt Corporation or silence or inaction on the part of Optibelt Corporation shall give rise to any claim or belief by the supplier in the relevance of supplier's order confirmation.

8. Optibelt Corporation's **employees** and agents, other than its duly authorized officers, are not authorized to dispense with the requirement of a written acknowledgement of the order by Optibelt Corporation or to make promises which differ from its content. If and to what extent its duly authorized officers are authorized to make or receive declarations with effect for or against Optibelt Corporation, is to be determined according to Illinois law.

9. Subject to reasonable and agreed reimbursement of the supplier's proven expenses if Optibelt Corporation changes or cancels the contract after formation without cause, after formation of the contract Optibelt Corporation is entitled to **change** the order for the goods to be delivered or to **cancel** all or part of the contract already made with or without cause. In the case of a partial cancellation without cause the supplier is also to be reimbursed for that part of its profit proven and lost by the cancellation. Supplier shall not be entitled to any reimbursement for any change or cancellation made by Optibelt Corporation with cause.

10. **Amendments** to the concluded contract always require written confirmation signed by an officer by Optibelt Corporation.

III. Obligations of the Supplier

1. The supplier shall fulfil all the duties imposed by the contract, including these Purchasing Conditions, as well as ancillary and supplemental duties that do not conflict with these Purchasing Conditions and that are imposed by the rules of the ICC for the use of the clause **DAP Incoterms® 2010** and statutory provisions in due time, and shall compliantly **deliver the goods** referred to in the written acknowledgement of the order by Optibelt Corporation. Guarantees, warranties and assurances given by the supplier are to be honoured, without these having to be confirmed in writing.

2. Without obtaining explicit advance written consent by Optibelt Corporation in every case, the supplier is not allowed to entrust **sub-suppliers** the performance of its obligations owed to Optibelt Corporation if according to the applicable law such entrustment can result in legal consequences regarding the contractual relationship with and/or duties owed by the supplier to Optibelt Corporation.

3. Irrespective of and in addition to other obligations, the supplier must **inform** Optibelt Corporation in writing with a reasonable lead time of the forthcoming delivery, and the supplier is obliged to **examine** the goods prior and as close in time as possible to their handing-over to Optibelt Corporation to the same extent as Optibelt Corporation is obliged to examine the goods after taking delivery and to record the result of the examination in writing.

4. The **transport**, protection, and custody of the goods up to the taking over by Optibelt Corporation is the sole responsibility of the supplier. The provisions under DAP Incoterms® 2010 shall apply, and supplier's responsibility shall also include (if not included in the incoterm), but is not limited to, the supplier being responsible vis-à-vis Optibelt Corporation for the goods being packed suitably for transportation, being loaded in a safe manner, and being transported by suitable means of transport. Without prejudice to its sole responsibility for transport, the supplier is additionally obliged to observe all **dispatch requirements** set out in the written acknowledgement of order of Optibelt Corporation. The agreement of other clauses of the Incoterms or other delivery clauses merely involve a variation of the provisions as to transportation and transportation costs and does not modify the provisions laid down in this paragraph.

5. Regardless of the provision set out in section IV.-3., the supplier warrants compliance with customs, **import and security regulations**, and with weight and measuring systems applicable to the goods at the time of delivery and is responsible vis-à-vis Optibelt Corporation for ensuring that the goods comply with all requirements that have to be respected when importing the goods and making them available in the U.S. market. This warranty applies even to the extent that Optibelt Corporation clears the goods for import. The agreement of other clauses of the Incoterms or other delivery clauses merely involve a variation of the provisions as to the transportation and the transportation costs and does not modify the provisions laid down in this paragraph.

6. The supplier is required to fulfil its obligations timely, which includes, but is not limited to, timely handing over the goods to Optibelt Corporation unloaded at the **place of delivery** indicated in the written acknowledgement of the order or – if a place of delivery is not indicated – at the Optibelt Corporation's premises in the U.S. Only employees of Optibelt Corporation named on the notice at the entrance of the depot are entitled to receive the goods.

7. Subject to any conflicting provisions in Optibelt Corporation's written acknowledgement, the supplier is under a duty to hand over to Optibelt Corporation goods of the contracted type and quantity, which are of the **quality** and in the **packaging** and which comply with the **labelling** and marking requirements, and which in each case satisfy the legal provisions and standards applicable to making the goods available in the U.S. market at the specific time, and to also comply with the latest developments of science and engineering. The supplier shall ensure that the goods are not subject to deviations which could adversely affect their merchantability or their normal value in use or their economic value in the U.S. or the particular purpose made known to the supplier, and shall ensure that the goods contain no foreign objects and no substances which could damage health or which are prohibited. The supplier is not entitled to make **partial deliveries** or to invoice them separately.

8. At the time of delivery, the supplier guarantees that the goods are free from any and all **rights or claims of third parties**, including, but not limited to, those based on title, industrial property and intellectual property, which could hinder the unrestricted right, title, interest, ownership, transferability and/or other usability of the goods by Optibelt Corporation in the U.S.

9. The supplier is under a duty to obtain and to hand over to Optibelt Corporation upon delivery of the goods in the U.S. any and all licences, authorizations, certificates of origin, of movement and of

preference, and any and all other certificates and other **documents** necessary for the free export, transit, use, sale, and import of the goods as well as for receiving tax relief in the U.S. The supplier guarantees that they are authentic documents with legal validity. Furthermore, suppliers with a place of business within the European Union are under a duty to present a supplier's declaration. The agreement of other clauses of the Incoterms or other delivery clauses merely involve a variation of the provisions as to transportation and transportation costs and does not modify the provisions laid down in this paragraph.

10. Every delivery must be accompanied by a **delivery note** or other document which clearly states the order number of the written acknowledgement of the order by Optibelt Corporation, and, for each type of goods, the applicable customs tariff number. **Invoices**, delivery notes, and transportation and other documents must correspond to the details in the written acknowledgement of the order by Optibelt Corporation, must comply with all legal requirements, and are to be forwarded to Optibelt Corporation separately by post and additionally by electronic means. **Invoices** must clearly state the order number and the date of the written acknowledgement of the order by Optibelt Corporation as well as the supplier's tax number. Partial deliveries agreed upon or final instalment deliveries are to be identified as such in the delivery note and in the invoice.

11. Supplier shall strictly comply with all agreed dates and periods. Optibelt Corporation is entitled to select the date of delivery within an agreed period. Without prejudice to any right or claim which Optibelt Corporation may have against the supplier, any delay must be communicated to Optibelt Corporation in writing immediately after discovery thereof and giving the new delivery date. The supplier can deviate from these obligations only if relying on the non-timely provision of documents to be obtained by Optibelt Corporation, or if relying on material, inadequate cooperation by Optibelt Corporation if the supplier has both timely and in writing demanded accomplishment of the same. The supplier is entitled to perform its obligations outside the agreed dates or periods only insofar as Optibelt Corporation has in each individual case agreed thereto in writing.

12. Agreed **penalties**, including, but not limited to, statutory and contractual penalties and liquidated damages, shall be paid in addition to the agreed services and other remedies, do not exclude or waive Optibelt Corporation's right to claim further damages, and may be claimed by Optibelt Corporation regardless of whether it accepts the delivery without reservation.

13. To the fullest extent allowed by law, statutory rights of the supplier to **exercise or claim a lien**, to **suspend performance**, and to **raise defenses or counterclaims** are excluded except where the corresponding claim of the supplier is due and is undisputed by Optibelt Corporation or has been finally adjudicated by a court of competent jurisdiction to be required by statute or where, despite written warning, Optibelt Corporation has committed a fundamental breach of its obligations due and arising out of the contractual relationship and has not offered any adequate assurance of performance or cure.

14. The supplier is obliged to use exclusively environmentally friendly packaging material and to collect packaging material and delivered goods, as far as these are subject to particular **legal provisions regarding waste-disposal** and for which disposal is imminent and not ensured otherwise, at its own cost from the place of delivery indicated in the written acknowledgement of the order or - if a place of delivery is not indicated - at the premises of Optibelt Corporation in the U.S. or to take it back from third parties. The supplier shall at its own cost take care of or in any other way ensure renewed utilization, material recycling or otherwise prescribed waste-disposal of the goods delivered and of the packaging material.

IV. Obligations of Optibelt Corporation

1. Optibelt Corporation is obliged to **pay the agreed purchase price** listed in its written acknowledgement. Optibelt Corporation may pay, subject to the right subsequently to check the invoice, by a transfer to a bank with which the supplier maintains business. There are no obligations on the part of Optibelt Corporation to secure or to enable payment.

2. Supplier's claim to the payment of the agreed purchase price **comes into being** only after the goods and the documents have been handed over to Optibelt Corporation completely and in conformity with the contract. Without prejudice to the compliance with the respective applicable legal requirements, the payment is **due** within fourteen (14) working days with an application of a discount of three percent (3%) or within thirty (30) working days net. The payment period does not start before Optibelt Corporation has received an invoice in due form.

3. The **purchase price covers** all of the supplier's services including any accessory expenses, as well as, but not limited to, customs duties, taxes and charges regarding the export and the transit, and banking fees. Any increase in the price agreed at formation of the contract – irrespective of the legal ground – is specifically rejected and excluded.

4. Third parties not party to the contract are not entitled to claim or request payment. The supplier's sole **entitlement to receive payment** continues to exist even if it assigns claims to third parties.

5. Statutory rights of Optibelt Corporation to reduce the price, to exercise a **set-off** against the price, to **suspend** the performance of its obligations, and/or to **raise defenses** or **counterclaims** are not restricted by the provisions laid down in these Purchasing Conditions, and Optibelt Corporation shall be entitled to these rights irrespective of any further statutory remedies even if cash-payment terms are agreed. Without any previous notice to the supplier being necessary, Optibelt Corporation is entitled to **suspend** the performance owed by Optibelt Corporation so long as in Optibelt Corporation's view there is a concern that the supplier will not wholly or partially perform in accordance with the contract its duties under the particular contract or, to the fullest extent allowed by law, in accordance with another contract made between supplier and Optibelt Corporation which has not been completely fulfilled. Without limiting its rights, Optibelt Corporation is entitled to exercise a set-off against the price, to suspend the performance of its obligations, and/or to raise defenses or counterclaims whether or not the claim against the supplier is contested by the supplier, whether or not the claim has been acquired by Optibelt Corporation by assignment, whether or not Optibelt Corporation is entitled to request payment for any other reason, and whether or not the claim against the supplier exists but has not yet fallen due or is in another currency or is subject to the exclusive jurisdiction of a court or an arbitral tribunal different to that provided for the claim of the supplier.

6. Optibelt Corporation shall **not be obliged to perform** other than as set out in the written acknowledgement of the order by Optibelt Corporation (which includes these Purchasing Conditions).

7. The **taking over** of the goods by Optibelt Corporation is subject to the condition that the goods are in every respect in conformity with the terms of the contract, including these Purchasing Conditions, and applicable statutory provisions, and are free from rights or claims of third parties.

V. Non-conforming Goods

1. In addition to any statutory grounds of non-conformity, goods **do not conform with the contract** if they do not conform to the requirements set out in sections III.-1., III.-5., III.-7. and III.-8., or with assertions in adverts or with declarations or other communications

made by the supplier to Optibelt Corporation, or with other legal provisions applicable within the U.S., or if claims in favour of a third party based on product liability law occur due to the goods, or if rights or claims of third parties, including, but not limited to, those based on title, industrial property or intellectual property are claimed, unless a different term is set out in Optibelt Corporation's written acknowledgement of the order or unless the supplier proves that Optibelt Corporation was specifically aware of the non-conformity at the time of formation of the contract and agreed to order and accept the non-conforming goods.

2. Likewise, any statement or confirmation or other communication to Optibelt Corporation by the supplier as to the quality or suitability requested of the goods constitutes an unconditional and unrestricted **guarantee of the supplier** unless the supplier has declared in writing vis-à-vis Optibelt Corporation that it cannot give such a guarantee for the specific order. The same applies to all references made by the supplier to generally accepted standards or quality marks and to similar communications by the supplier declaring or indicating that the goods have certain qualities and/or are suitable for a particular purpose. In the case of subsequent transactions concerning the same type of goods the statements, confirmations, references, declarations, or other communications continue to apply, without them needing to be mentioned again.

3. Optibelt Corporation's **duty to examine** the delivered goods arises only when the goods are processed or used by Optibelt Corporation, however at the latest half a year after their delivery to Optibelt Corporation. This duty to examine exists only in respect of typical deviations of a factual kind in type, quantity, and packaging of the goods delivered, and is sufficiently fulfilled by applying Optibelt Corporation's usual methods of examination and limiting the examination to spot checks undertaken by Optibelt Corporation. In the case of delivery in instalments or of partial deliveries, the examination of individual deliveries shall suffice. The consulting of experts, damage assessors, inspection offices or other external third parties is not required. Optibelt Corporation is not obliged vis-à-vis the supplier to examine the goods in respect of compliance with legal rules or whether they are free from any right or claim of a third party. If the supplier delivers late, even if only one-day late, Optibelt Corporation is no longer required to examine the late-delivered goods within any specific time period and can claim non-conformity at any time on such goods. If the supplier undertakes to timely remedy a notified non-conformity, the duty to examine pauses until Optibelt Corporation has received a written notice from the supplier specifying that and how the remedial measure has been successfully completed. Optibelt Corporation is not obligated to examine where goods are sold unchanged.

4. Optibelt Corporation shall **give to supplier notice** of non-conformities discovered pursuant to the examination within ten (10) working days after the completion of the examination. Notice of non-conformities not discovered by the initial examination but discovered sometime later shall be given within fifteen (15) working days after the non-conformity is discovered and the supplier's responsibility therefor is determined by Optibelt Corporation and at the latest until the expiration of the limitation period. There is no obligation of Optibelt Corporation to give notice if the supplier knew or could not have been unaware of the lack of conformity. Apart from that, notice shall be given to the supplier or to its agents. The notice shall describe the non-conformity in general terms; greater details as to the type of non-conformity or the extent of the goods affected are not required. The supplier is obliged, when required, to ask Optibelt Corporation in writing for further details of the type of non-conformity or the number of affected goods. As regards rights or claims of third parties regarding the goods, Optibelt Corporation can give supplier notice of those rights and claims at any time without complying with any time limit.

5. Without prejudice to its contractual and statutory rights, Optibelt Corporation is, according to these Purchasing Conditions, entitled to rely on the remedies provided in section V.–6. if the goods do not conform to the contract under the terms of these Purchasing Conditions **at the time** the notice period stipulated in section V.–4. commences unless the supplier proves that the non-conformity with the contract was caused after the taking over of the goods by Optibelt Corporation and is attributable to Optibelt Corporation's area of responsibility.

6. Irrespective of any fortuitous damage to the goods after risk has passed, Optibelt Corporation is entitled, in the case of non-conforming goods, to rely without restrictions on the **remedies** provided by law and also to advance contractual and extra-contractual claims. Along with any and all other available remedies, Optibelt Corporation may require substitute goods or other cure, and may void the contract upon any non-conformity or any breach of contract, and may assert claims beyond the extent of the non-conforming goods for the whole contract. If reduced quantities are delivered, Optibelt Corporation is entitled to reduce the purchase price without further ado. Quantities delivered in excess may be returned totally or partly by Optibelt Corporation at supplier's sole expense without a notice of non-conformity being necessary. Moreover, the stipulations in VI.–2. on the avoidance of the contract and in VII.–2. on damages apply to the delivery of non-conforming goods as well. Until the complaint has been settled completely between the parties, Optibelt Corporation is, in addition to any other available remedies, entitled to retain from the purchase price up to three (3) times the costs of repair or other cure. Optibelt Corporation is also entitled, notwithstanding any other available remedies or claims, to be reimbursed for any **expenses** incurred by Optibelt Corporation as well as its reasonable indirect, including but not limited to, incidental and consequential, losses, damages, and costs, including, but not limited to, expenses and damages incurred by Optibelt Corporation towards its customers or other third parties insofar as the expenses or damages are the consequence of non-conformities caused by or attributable to the supplier according to these Purchasing Conditions and the underlying obligations were not entered into after the non-conformity had been discovered.

7. Supplier must complete cure acceptable to Optibelt Corporation within thirty (30) days after supplier receives notice from Optibelt Corporation of a non-conformity or other breach of these Purchasing Conditions. To the fullest extent allowed by law, the **limitation period for claims** is ten (10) years.

VI. Avoidance of the Contract

1. If the supplier is in compliance with the contract and all other legal requirements, the **supplier** is entitled to declare the contract avoided only for Optibelt Corporation's failure to comply with the contract after it has notified Optibelt Corporation in writing of Optibelt Corporation's specific failure(s) under the contract and how Optibelt Corporation may perform or cure such failure(s) and a reasonable additional period of time, but not less than ten (10) working days, given in writing for performance or cure has expired to no avail. If avoiding the contract thereafter, supplier must provide its notice of avoidance of the contract in writing to Optibelt Corporation directly within a reasonable time, but not more than five (5) working days after the period to cure has expired.

2. Without prejudicing, and in addition to, its other legal rights and remedies, **Optibelt Corporation** is entitled to avoid the contract in whole or in part for any of the following reasons:

- a) if the supplier objects to the application of these Purchasing Conditions
- b) if on grounds for which Optibelt Corporation is not responsible, the written acknowledgement of the order by Optibelt Corporation is

received by the supplier more than fourteen (14) calendar days after its date of issue,

- c) if insolvency proceedings are applied for or commenced relating to the assets of the supplier,
- d) if the supplier, without providing a reason justifiable in law and acceptable to Optibelt Corporation, does not meet obligations due towards Optibelt Corporation or towards third parties,
- e) if according to these Purchasing Conditions and due to the delivery of non-conforming goods, Optibelt Corporation is entitled to other remedies,
- f) if the supplier has failed to comply with any of its obligations and an additional period of time for performance set by Optibelt Corporation has expired to no avail, and
- g) if Optibelt Corporation cannot be expected to fulfil its obligations by means, which taking into consideration its own interests and that of the supplier as far as ascertainable and legitimate at the time of formation of the contract, are unreasonable in particular in relation to the agreed counter-performance.

VII. Damages

1. For the specific amount not timely paid, if any, the supplier is entitled to claim **damages from Optibelt Corporation** in case of unjustified late payment at a flat interest rate of two percent (2%) per annum above the official rate of discount of the currency in which payment is due applicable during the unjustified retention of payment. With the exception of injury to life, body or health proximately caused by Optibelt Corporation, of damages due to intentional harm or gross negligence by employees of Optibelt Corporation, and of obligatory product liability, any claim by the supplier, on any other ground, to damages, to further interest payments, or to an indemnity of any kind against any other kind of damages, is expressly rejected and excluded.

2. Without prejudicing its other claims and remedies, including those of both a contractual and an extra-contractual nature, Optibelt Corporation is entitled without any restriction to claim statutory **damages from the supplier** instead of or in addition to, which choice shall be at Optibelt Corporation's sole discretion, any other remedy for every kind of supplier breach of contract. The taking of delivery of the goods or the paying of the agreed purchase price with or without any reservation shall not result in a waiver of Optibelt Corporation's right to damages. Without prejudice to any other rights and remedies, the damages to be compensated to Optibelt Corporation shall comprise all direct and indirect expenses, losses, damages, and inconveniences, including but not limited to incidental and consequential damages, caused to Optibelt Corporation by the breach of contract. Without prejudice to Optibelt Corporation claiming further damages, in each case of **late delivery or non-delivery** by the supplier, Optibelt Corporation is entitled to claim **liquidated damages** of one-half of one percent (0.5%) of the value of the respective goods for each week of delay, up to a maximum of ten percent (10%), without any evidence being necessary.

VIII. Other Provisions

1. On delivery to Optibelt Corporation, the goods as well as all related papers and documents become the unrestricted property of Optibelt Corporation. Optibelt Corporation is entitled, to utilize the goods at any time without any restrictions, which includes, but is not limited to, processing the goods and/or selling them, as well as transferring property right, title and interest in the goods to third parties even when such utilization by Optibelt Corporation has the consequence of destroying the reservation of title.

2. Without prejudice to Optibelt Corporation's other rights and claims, the supplier will indemnify, defend, and hold harmless

Optibelt Corporation against all claims and actions of third parties which may be brought against Optibelt Corporation or to which Optibelt Corporation may be subject based on intellectual property law, tort, contract, **product law** or **product liability law** or other laws or provisions to the extent that a product defect was caused by or is otherwise attributable to the supplier. This indemnification includes, but is not limited to, compensation for damages, costs, and expenses incurred or otherwise payable by Optibelt Corporation and the costs of any precautionary campaign to redress or recall potentially defective goods, and is granted by the supplier waiving further conditions or other objections, including, but not limited to, waiving any requirement of Optibelt Corporation to comply with any duty of examination, giving notice, supervision, or recall, and waiving any defense of limitation. Irrespective of any additional claims of Optibelt Corporation, the supplier shall at all times maintain **product liability insurance and product recall insurance**, each with a cover figure of not less than \$ 6 Mio. INSERT for each event of damage or loss.

3. Without prejudice to Optibelt Corporation's other rights and claims, the supplier will, upon request, furnish the due particulars and technical documentation regarding the goods in writing to Optibelt Corporation and will give Optibelt Corporation unlimited security or compensation on first demand, and the supplier waives all conditions and defenses, including, but not limited to, waiving any Optibelt Corporation duty of examination, notice, supervision, and recall and the prior taking of or response to administrative or legal proceedings as well as waiving any defense of limitation if, in consequence of an **administrative order**, Optibelt Corporation is threatened with an administrative detriment or if Optibelt Corporation is subject to administrative fines or penalties or if Optibelt Corporation learns of other administrative detriment based on or arising out of supplier's actions or inactions, the observance of which is according to the provisions of these Purchasing Conditions within the supplier's sphere of obligation. The same applies if Optibelt Corporation is obliged on the basis of applicable statutory provisions to recall goods, which have been delivered by the supplier or which contain parts delivered by the supplier, to the extent that the **recall of the goods** is caused by or attributable to the supplier.

4. In relation to pictures, drawings, prescriptions, calculations, and **documents**, including but not limited to computer-software and other know-how, which have been made available to supplier by Optibelt Corporation in a material or electronic form, Optibelt Corporation reserves all proprietary rights, copyrights, and other intellectual and industrial property rights as well as know-how rights to such.

5. All notices required under this agreement between the parties must be in writing, signed by the sending party, and communicated exclusively in **English**. Notices transmitted by means of fax or e-mail fulfil the requirement of being **in writing**; provided, however, changes in bank account information may not be made by e-mail communication.

IX. General Basis of Contracts

1. The **place of delivery** results from section III. -6. of these Purchasing Conditions and applies also to the delivery of substitute goods and repair of delivered goods. The **origin of payment and the place of final performance** for all the rest of the obligations arising from the legal relationship between Optibelt Corporation and the supplier is 565 E. Fullerton Avenue, Carol Stream, IL 60188. These provisions also apply if the supplier renders performance for Optibelt Corporation somewhere else or payment is to be made against the handing over of the goods or documents or in the case of restitution of performance already rendered. The agreement of other clauses of the Incoterms or other delivery clauses merely involve a variation of the provisions as to transportation and transportation costs and does not modify the provisions laid down in this paragraph.

2. For suppliers delivering goods to Optibelt Corporation from facilities located in the U.S., the provisions of the Uniform Commercial Code (UCC) as adopted in Illinois govern Optibelt Corporation's legal relationship with the supplier only to the extent that these Purchasing Conditions do not address said relationship. For suppliers delivering goods to Optibelt Corporation from facilities located outside the U.S., the provisions of The United Nations Conventions of 11 April 1980 on Contracts for the International Sale of Goods (**UN Sales Convention / CISG**) and on the Limitation Period in the International Sale of Goods, both in the English version govern the legal relationship with the supplier only to the extent that these Purchasing Conditions do not address said relationship; provided, the UN-Conventions apply above and beyond their own area of application and regardless of reservations adopted by any state, to all contracts to which these Purchasing Conditions are to be applied according to the provisions of section I, and where commercial terms are used, in case of doubt the Incoterms® 2010 of the International Chamber of Commerce apply taking into account the provisions stipulated in these Purchasing Conditions.

3. The laws of the State of Illinois without regard to conflicts of law principles shall govern these Purchasing Conditions. In addition, all matters for which these Purchasing Conditions and the UCC as adopted in Illinois (for suppliers delivering from the U.S. under Section IX-2) or the CISG (for suppliers delivering from outside the U.S. under Section IX-2) do not address the relationship between the parties, the laws of the State of Illinois without regard to conflicts of law principles shall govern.

4. Except as may be otherwise selected by Optibelt Corporation as noted below, all contractual and extra-contractual disputes as well as disputes under insolvency law, arising out of or in connection with contracts to which these Purchasing Conditions apply, including their validity, invalidity, violation or cancellation as well as other disputes arising out of the business relationship between the parties shall be finally resolved, without recourse to the ordinary courts of law, by arbitration according to the rules of the American Arbitration Association in force on the date when the Notice of Arbitration is received in accordance with these rules. The tribunal shall consist of three arbitrators, one (1) of them shall be nominated by the claimant, one (1) of them by the respondent and the chairman of the tribunal shall be designated by the two arbitrators so nominated, or if the amount in dispute is inferior to \$50,000.00 (Fifty Thousand Dollars), there shall be one (1) arbitrator appointed according to the rules of the American Arbitration Association. The place of the arbitration shall be Chicago, Illinois, the language used in the arbitral proceedings shall be English. The competence of the arbitral tribunal excludes especially every statutory competence, which is provided by reason of a personal or substantive relation. If this arbitration clause is ineffective or ceases to be effective, the exclusive local and international jurisdiction of the courts of DuPage County, Illinois, or if the courts in DuPage County do not have appropriate jurisdiction, the courts of Cook County, Illinois is agreed for the disputes instead. Instead of bringing an action before the arbitral tribunal or before the State of Illinois court which has jurisdiction, Optibelt Corporation is also entitled to bring an action before the federal courts of the supplier's place of business, or other federal courts having jurisdiction according to domestic or foreign law.

5. If any provision or any part of a provision of these Purchasing Conditions is determined by a court of competent jurisdiction to be partly or wholly ineffective, the remaining arrangements will continue to apply. The parties are bound to replace the ineffective provision or ineffective part of a provision with a legally valid and enforceable provision as close as possible to the commercial meaning and purpose of the ineffective provision.

Purchasing Conditions for Suppliers



Optibelt Corporation
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