

§ 1 Area of Application

(1) The following General Terms and Conditions apply for all commercial sales of Greif-Velox Maschinenfabrik GmbH (hereafter also named Greif-Velox or only GV) in the course of businesses with enterprises.

(2) Greif-Velox exclusively works on the basis of these General Terms and Conditions. This also applies if the customer on his part works on the basis of its own General Terms and Conditions. In that case, the terms and conditions which are identical are effective but in case of conflicting terms and conditions, legal terms will apply. In case, one topic of terms and conditions is solely defined by one party, this term becomes part of the contract.

(3) The scope of supply as well as appearance and workmanship of deliverable and performance is only determined by our quotation / our written order confirmation – unless otherwise expressly agreed. Supplementary agreements and changes are subject to written confirmation.

§ 2 Quotation

(1) Purchase orders based on a quotation are only considered as accepted if Greif-Velox confirms the order in writing or by fax. Quantity, quality and characteristics of the machinery are apparent from the offer / the order confirmation itself, or with reference to obvious enclosures and price lists.

(2) Quotations of Greif-Velox are subject to change. Patterns, samples or information (as for instance measures, illustrations, descriptions, etc.) in pattern-books, price lists or other publications show the quality characteristics of a machine as far as possible. In case of deviations to the quotation, always the technical specification of the last quotation respectively the last order confirmation is relevant.

(3) Greif-Velox reserves its right to change trade descriptions of goods in regard to the specified properties of these goods in that way that the current legal requirements are taken into account.

(4) Agreements on indications of quantity or quality deviant from the technical specification of the installation or the performance are only binding if confirmed in written form. Same applies for indications of suppliers and employees of Greif-Velox. Also cost estimations and freight indications are subject to change until they have been confirmed in writing by Greif-Velox.

(5) Indications on quality and performance of a machine are no guarantees. Guarantees have to be explicitly stated as such.

§ 3 Safety Regulations

(1) The safety engineering of the machines corresponds – if applicable – to the regulations of the EC-directive on machinery. Other certificates or additional requirements by the customer need to be stipulated separately.

(2) For electrical as well as for electromechanical facilities, the general conditions for products and services of the electrical industry of the Federal Republic of Germany apply. The electrical equipment of the machines complies with the low-voltage directive of the European Community as well as with the European Standard EN 60204-1, “electrical equipment of machines”. Further on, the electrical equipment corresponds to the requirements of electromagnetic compatibility directive.

(3) If the installation site is located outside the Federal Republic of Germany, the customer is responsible for the compliance with the provisions of public law which may apply for commissioning and operation and also, should the case arise, for proper disposal of the machinery. Exceptions are to be agreed separately.

§ 4 Scope of Works

(1) The performance description of the delivered product is apparent from the quotation of Greif-Velox.

(2) Owed under the contract is the provision of a determined technical functionality of an installation. The achievement of business objectives of the customer is not owed.

(3) The term of delivery (FOB, CIF, etc.) is based upon the quotation of Greif-Velox.

(4) The possibility of partial delivery remain explicitly reserved, provided that it is as per purpose of the contract reasonable for the customer and provided that it's technical functionality is independent from other parts.

(5) The commissioning of the machine is effected by Greif-Velox personnel. Greif-Velox will perform a short briefing of customer personnel in safety aspects and operation of the machine. Advanced training and instructions will only be performed by Greif-Velox personnel if explicitly stipulated by contract. However, advanced training and instruction does not include a production monitoring.

(6) At the time of contract conclusion, the customer is aware of the fact that Greif-Velox only tests and guarantees the autarkic functionality of the machines delivered by Greif-Velox but without guarantee for the functionality of these machines in terms of systemic interlocking with other components. The customer is having sole responsibility for this functional compatibility or can separately commission Greif-Velox with the verification of the system compatibility. Subject to separate agreements, Greif-Velox bears no total system responsibility.

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(7) A proper operation of the machine is only guaranteed if the customer follows the instructions for commissioning / operation / maintenance given by Greif-Velox. If the customer deviates from these from these instructions, he must demonstrate that the deficiency that may arise is not caused by the deviation.

§ 5 Obligation of the Customer to co-operate at Commissioning of Machinery

(1) The customer has to provide the necessary auxiliary personnel for commissioning as well as the personnel being trained. The customer also provides necessary energies, packing and other materials or required free issue equipment and material in a timely manner.

(2) The customer has to fulfill completely and in due time the obligations to co-operate stated in the quotation / the order confirmation and its attachments respectively. The obligations to co-operate stated in the attachments are principal obligations. Greif-Velox will inform the customer immediately, if it is foreseeable that one of the Greif-Velox performances cannot be provided in time as a result of non-performance of a corresponding duty of cooperation by the customer.

(3) GV reserves the right to invoice waiting times caused by absent supplies on the part of the customer.

(4) The delivery period is extended by the period up to which Greif-Velox has received the documents, as especially permits and approvals, which the customer has to provide.

(5) GV performances may be made subject to a reasonable advance payment. Until receipt of this down payment, GV has the right of objection.

§ 6 Delivery

(1) The delivery by Greif-Velox is with reservations forasmuch as GV itself receives correct and timely supplies and is not responsible for missing plant availability or of parts of it. The customer can claim for damages for non-performance only after having set a deadline with threat of refusal.

(2) In case of delivery delay due to force majeure, sovereign acts, natural disasters, war, riots, strikes in own factories, in companies of suppliers or forwarders, or due to other circumstances beyond the control of Greif-Velox, Greif-Velox is entitled to supply this delivery when the reason for the delay ceases to exist. However, either party may withdraw from a concluded contract in whole or in part if any of the foregoing events causes a delivery delay of more than two months beyond the agreed deadline. Further claims of the contractual partners are excluded.

(3) Delivery is effected by providing the machine to the customer at named place. The time for delivery is met when the machine / the delivery item has either left the works or the readiness for dispatch has been notified until expiration of the delivery period.

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(4) If the point of delivery is changed, the machine will be made available to the customer at this place. If GV does not deliver in time, the customer has to set a new appropriate deadline in writing to GV.

(5) In cases of default of acceptance, Greif-Velox will store the machine at the expense and risk of the customer. At customer's request, GV will insure the machine for the time of default of acceptance.

(6) The customer may also withdraw from the contract, if, in the course of an order, a part of the delivery becomes impossible and a legitimate interest in refusing a partial delivery exists. If this does not apply, the customer has to pay the price for the partial delivery. Same applies in a case of impossibility due to reasons beyond the control of both parties.

(7) If GV is in default, GV shall be liable for resultant damages to the customer in the amount of 15% of the value of the delivered products unless the delay is caused by willful intent or gross negligence, or it exist a breach of a guarantee or an injury of life, limb or health. Claims under Product Liability Act remain unaffected.

§ 7 Passing of Risks, Receipt, Acceptance

(1) If the customer is in charge of the transport, the risk of accidental perishing is transferred to the customer when the machine has been handed over to a forwarder, a carrier, the railway, the post or to the customer, or has been provided for pickup. Delivery period is met when – subject to other written agreements – the ordered machinery is ready for dispatch and the customer has been informed about accordingly.

(2) If GV is in charge of the transport, the risk is transferred to the customer latest when the goods have been dispatched, namely also in case of partial deliveries or in case that GV is still in charge of further services as for instance forwarding costs or delivery and assembly.

(3) The customer is obligated to report any apparent damage immediately to the forwarding agent and to GV.

(4) In case of delayed transport / delivery due to reasons the customer is responsible for, the risk is transferred to the customer as of the day of the readiness for dispatch.

§ 8 Assembly, Commissioning, Instruction

(1) Unless otherwise stipulated, the billing for services of personnel sent by Greif-Velox is based on the Service Conditions currently valid at the time of work execution as well as on customer certified timesheets and service reports respectively. If the customer does not certify the timesheets or service reports, or does not in due time, billing is still based on these named activity reports. Partial invoices are acceptable.

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(2) The invoice of a repair will report all prices separately, the prices for deployed parts and materials, for special services as well as the prices for job performance, for direct and attendant travel expenses.

(3) Additionally to arising travel expenses (train more than 200 km: 1st class, air plane: economy class if possible, more than 7 hours flying time business class, passenger car: Service Conditions), Greif-Velox will pass the attendant cost for visa, work permits, transportation fees for luggage and tools, etc. to customer's account. Greif-Velox reserves the right to determine the respective means of transport. If the travel time from accommodation to installation site exceeds half an hour, this applicable time will be charged as normal working hours.

(4) Any delay in assembly or repair work due to circumstances beyond the control of Greif-Velox entails a reasonable extension of time for its execution. The customer bears the costs arising from this delay. This also applies to interruptions of work which necessitate a withdrawal of the personnel appointed by Greif-Velox. The customer bears all costs incurred in this context, such as waiting times or direct as well as attendant travel expenses. The Service Conditions of Greif-Velox apply.

(5) Greif-Velox performs a short briefing on the safety aspects and the use of the machine for the personnel of the purchaser. Advanced trainings and instructions will only be carried out if expressly agreed in the contract between Greif-Velox and the orderer. However, a production monitoring is not included to the scope of advanced trainings and introductions.

§ 9 Changes

(1) If, after completion of the product but before its assembly at customer's site, the customer wants to get different or additional performances than the originally ordered, these performances must be separately ordered and paid for. Greif-Velox is not obliged to perform, if neither the requests nor other aspects give evidence, that these additional performances were necessary to achieve the aim of the contract. Dates and deadlines are to be arranged in mutual agreement with Greif-Velox.

§ 10 Acceptance

(1) The acceptability and the acceptance procedure are governed by the specifications of the contract.

(2) The customer is obliged to accept the assembly respectively the repair right after given notice of its completion and after successful execution of a possibly contracted test. A minor fault does not authorize a refusal of acceptance. With acceptance, Greif-Velox is discharged from liability for visible defects unless the customer has reserved the right to claim certain defect.

(3) If the project consists of several steps, each step will successively be realized, tested and accepted. The possibility of partial acceptance depends on whether the customer can

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separately use individual parts of the system in terms of its technical functionality and whether, in due consideration of the purpose of the contract, it is reasonable to the customer. The due dates are based on the quotation / the order confirmation.

(4) For acceptance, a functional test of parameters in defined environmental conditions as defined in the technical specification is jointly performed by both parties. The warranty period starts with acceptance of the last subproject.

(5) The date when the customer undersigns the acceptance protocol qualifies as the date of acceptance. Acceptance may not be unreasonably withheld. Particularly unreasonable is a refusal of acceptance, if the machine basically fulfills all functions as described in the quotation / the order confirmation and when no faults arose, which considerably affect the usage of the machine. The acceptance protocol must be signed by both contract parties.

(6) Minor faults will be recorded in the acceptance protocol and will be remedied by Greif-Velox. Nonetheless, the acceptance shall be deemed made.

(7) Date of acceptance is also the 10th working day after the customer takes use and enjoyment of the machine, Greif-Velox have asked the customer for acceptance and the customer did not declare acceptance without giving a reason. However, Greif-Velox has to inform the customer in writing about the consequences of silence.

§ 11 Prices

(1) It's in the nature of the business of Greif-Velox that the prices may differ from the primary quotation sums. It is about price increases beyond the control of Greif-Velox and resulting from commercial custom. Price increases can only be transferred to the expense of the customer if it is demonstrable, that the costs for material and personnel have risen from the moment of order placement and if the increase is beyond the control of Greif-Velox. This also applies for unforeseeable changes of customs duties, import and export fees, foreign exchange controls, etc. When getting aware of said increases, Greif-Velox will instantaneously give notice to the customer and will inform about the reason for the price increase.

(2) Unless otherwise agreed, all prices stated by Greif-Velox are to be understood „EX Works“.

(3) All prices are to be understood without packaging, transport, freight insurance and value-added tax valid at the day of dispatch. The stated equipment prices do not include any expenses for dispatch, insurance and installation.

(4) The customer is responsible for customs clearance of the machinery.

(5) The customer is responsible for payment of all appropriate duties under public law, particularly the taxes.

§ 12 Title Retention Clause

(1) All deliveries are subject to title retention. The transfer of ownership of the delivered machinery to the customer only takes place upon receipt of all payments of the ongoing business relationship. The customer is entitled to process and sell the goods subject to title retention in the ordinary course of businesses.

(2) The assertion of title retention shall not constitute withdrawal from the contract unless Greif-Velox communicates something different to the customer.

(3) If the machinery is processed, mingled or connected with other items, Greif-Velox acquires joint ownership to these other items in proportion to the invoice value of the delivered goods at the time of mixing or processing. Paragraph 947, subparagraph 2 of the BGB (German Civil Code) is excluded. In case, the customer conducts contrary to the terms of the contract, Greif-Velox is entitled to retract the goods subject to title retention, respectively is entitled to demand the assignment of a claim for surrender against third party and, after warning with reasonable deadline, to commercialize the machinery on the expense of the third party. Neither the withdrawal nor an attachment of the goods subject to title retention is a cancellation of the contract. Such must be explicitly stated.

(4) The customer has the obligation to store the goods subject to title retention free of charge and to keep them in proper state as well as to insure them against fire, water and theft at his own expense. Pledging and chattel mortgages are to be reported immediately.

(5) The customer cedes to Greif-Velox already now and by way of security any claim (including all balance claims of open accounts) which may arise from an onward sale or other legal cause with regard to the goods which are subject to title retention (insurance/unlawful act) and that in proportion to the value of the goods subject to title retention but not more than 110% of the respective outstanding claim.

(6) In case of attachment or other third-party intervention, the customer has to inform Greif-Velox, so that Greif-Velox can take action pursuant to § 771 of ZPO (German civil process order).

(7) Greif-Velox undertakes to release its rightful collaterals on customer's request, as the liquidable value of these collaterals does exceed the receivables due to Greif-Velox. The selection of the released collaterals is at the discretion of Greif-Velox.

§ 13 Warranty for Defects

(1) Immediately after receipt, the customer has to inspect the machinery for completeness and any significant deficiencies and to declare possible objections to Greif-Velox.

(2) In case of the assertion of defects, Greif-Velox will initially have the right to a reasonable number of rework attempts within a reasonable time. If supplementary performance fails, the customer is principally authorized, at its sole discretion, to either reduce the price, to withdraw from contract and/or to demand compensation.

(3) Cases of minor defects exclude the right to withdraw or to claim damages.

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- (4) The right to assert warranty claims is also excluded if the deficiency is caused by normal wear and tear of intended use.
- (5) The customer bears the burden of proof that Greif-Velox is responsible for a deficiency insofar as the deficiency involves customer its modification, improper use or repair of the products without Greif-Velox's approval or if the products were processed, used and maintained non-conform to the GV-guidelines.
- (6) The warranty period is 12 months, starting with the delivery of the machinery. This also applies to claims for damages unless Greif-Velox can be accused of deliberate, grossly negligent behavior or if claims arising from injury to life, limb or health or from a promise of guarantee are concerned and/or claims under the Product Liability Act are affected.
- (7) If the machinery delivered by Greif-Velox is integrated to other machines, is modified or processed by the customer and a deficiency arises, the customer bears the burden to prove that this deficiency was not caused by said alterations of the customer.
- (8) Warranty claims cease to exist in case of faulty assembly or commissioning and operation of the delivery item either by the customer or by a third party ordered by the customer, unless the customer can prove that the deficiency was not caused by them.
- (9) Normal wear and tear, usage of unsuitable equipment and means of production as well as improper maintenance, care and inspections of the delivery item by the customer or third parties may also conflict with the assertion of warranty claims. The instructions for the maintenance and care of the products are part of the delivery.

§ 14 Claims for Indemnity

- (1) Greif-Velox is liable for negligently caused pecuniary losses but limited to an amount individually negotiated between the parties. This limitation of liability does not apply in case of damages caused by gross negligence or a deliberate act, in case of injury to life, limb and health or in case of violation of a promise of guarantee. Claims under the Product Liability Act remain unaffected.
- (2) Claims for indemnity expire one year after they became known or with due diligence could have become known to the customer. This limitation of liability does not apply in case of damages caused by gross negligence or a deliberate act, in case of injury to life, limb and health or in case of violation of a promise of guarantee. Claims under the Product Liability Act remain unaffected.
- (3) In case the machinery delivered by Greif-Velox shall be incorporated, processed or integrated to other systems, Greif-Velox is not liable for possible incompatibilities of systems or any consequential damages. If the customer wants that Greif-Velox assumes responsibility for the total system, a separate contract for corresponding assessment work is to be awarded.

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(1) Both parties commit themselves to strictest secrecy about all confidential information obtained in the course of their activities for the other party, particularly about company or business secrets, and neither to circulate them nor to make use of them in other ways. This applies to any unauthorized third party, i.e. also to non-authorized employees of the parties, unless the disclosure of information is a part of the orderly fulfillment of contractual commitments.

(2) In cases of doubt, each party is obligated to ask the other for permission prior such disclosure.

(3) The foregoing commitments shall not apply to facts which are demonstrably obvious or to such of established prior art or to facts the respective other party gained knowledge of before customer's disclosure or to facts afterwards re-communicated by a third party with no secrecy obligation towards Greif-Velox.

§ 16 Export Regulations

(1) The delivered products or individual components may be subject to the export control regulations of the exporting countries as well as to the German import regulations. A re-export from Germany might only be possible with approval of the export control authority of the country of manufacture. In some cases also the approval of the US export control authority is required. In case of a re-export, the customer is responsible for the compliance with relevant provisions.

§ 17 Data Privacy

(1) The protection of personal data is subject to the respective legal provisions.

§ 18 Closing Provisions

(1) If any provision of these Terms and Conditions or the relevant supplementary agreement is or becomes ineffective, all other conditions and provisions of the contract and the supplementary agreement shall nevertheless remain in full force and effect.

(2) Both parties agree on the application of the law of the Federal Republic of Germany for all legal relationships arising from this contract.

(3) Provided that the customer is a prudent businessman in the sense of the Commercial Code, a legal entity under public law or public law special fund, it is agreed that the court of jurisdiction for all disputes arising in the course of contract processing is exclusively Lübeck.