

General Terms of Delivery of ROVEMA GmbH

I. General

1. These General Terms of Delivery shall apply with respect to natural or, as the case may be, legal persons acting within the framework of their commercial, professional activities while concluding a contract, public legal entities or special funds under public law.
2. These General Terms of Delivery (GTD) constitute the legal basis for any unilateral declarations made by ROVEMA (the Supplier) and any other agreements between ROVEMA and its Customers.
3. Conflicting terms and conditions of business or purchase of the Purchaser shall not apply even if they are not expressly objected to.
4. Oral declarations made before or when the contract is concluded and all other declarations made by non-authorized personnel of ROVEMA shall only be binding if confirmed in writing.

II. Offer

Offers are not binding. Documents pertaining to the offer such as diagrams, drawings, weights and measures shall only be approximate unless expressly described as binding. The Supplier may, at its own discretion, choose to implement technological changes it deems necessary any time. The Supplier retains ownership and copyrights over cost estimates, drawings, and other documentation, which may not be made accessible to third parties. The Supplier shall be obliged to make Purchaser plans described as confidential accessible to third parties only with the Purchaser's consent.

III. Scope of delivery

The written order confirmation issued by the Supplier shall determine the scope of the delivery; in the case of an offer made by the Supplier including time limits and timely acceptance, the offer shall be authoritative if no timely order confirmation exists. Collateral agreements and amendments shall require the Supplier's written confirmation.

IV. Price and Payment

1. Prices shall apply ex works, exclusive of packaging and the legally prescribed value added tax.
2. Payments shall be made in Euro (EUR), in cash, without any deductions and free of charge for the Supplier, even if foreign currencies are also indicated. These shall be credited at the appropriate currency exchange rate of the Frankfurt Stock Exchange, Frankfurt/Main, Germany applicable at the date payment is received.
3. The Purchaser's right to retain payment or set off payment against any counterclaims it may have, shall be limited to undisputed or unappealable claims.
4. Unless otherwise agreed, payment shall be made without any discount to the account of the Supplier as follows:

40 % down payment following receipt of the confirmation of the order, 50 % when the main parts are ready for dispatch and the Purchaser has been notified accordingly, the rest within a period of one month following transfer of risk.

5. In the event that the period for payment is exceeded, interest on arrears amounting to 8 % above the basic interest rate of the European Central Bank shall be charged unless the Purchaser proves that significantly lower damage has been incurred. The Supplier retains the right to assert a claim involving higher damage.

V. Delivery Period

1. The delivery period shall commence upon receipt of the counter-confirmed order confirmation, all documentation to be supplied by the Customer and the agreed down payment. It is considered to have been observed when the Product has left the works within the delivery period or within a reasonably extended delivery period or notice of readiness for dispatch thereof has been given. The delivery period shall be extended by a reasonable period of time in the event of circumstances such as industrial action, particularly strike and lock-out, or the occurrence of unforeseen hindrances, which are beyond the Supplier's control providing such hindrances can be proven to have significant influence on the completion or delivery of the Products. This shall also apply if the circumstances arise with respect to the Supplier's suppliers.

The aforementioned circumstances shall also be deemed to be beyond the Supplier's control if they occur during an existing delay. In significant cases, the Supplier shall inform the Purchaser of the commencement and end of such hindrances as soon as possible.

2. In the event that the Customer incurs damage as a result of delay attributable to the Supplier, the Customer may claim compensation for the delay. The latter shall amount to 1/2 percent for every full week of delay up to a maximum of 5% of the value of those parts of the overall delivery which cannot be used in time or in accordance with the contract as a result of the delay. A delay is considered to have taken place only if the Supplier does not effect delivery within the period of delivery or within an agreed extended period of delivery.

3. In the event that dispatch is delayed at the request of the Customer, storage costs incurred shall be charged as of the month following the notice of readiness for dispatch; in the event that storage is effected in the works of the Supplier, a minimum of 1/2 percent per month of the invoiced amount due on the basis of the delayed part of the entire delivery shall be charged, up to a maximum of 3%. In the event that a reasonably extended period of time expires without any results being provided, the Supplier shall be entitled to dispose of the Product as it sees fit and/or effect delivery to the Customer within a reasonably extended period of delivery.

4. Adherence to the delivery period shall require that the Customer has fulfilled its contractual obligations.

VI. Transfer of Risk and Acceptance

1. The risk shall pass to the Customer upon dispatch of the Products at the latest, even when partial deliveries or other obligations have been assumed by the Supplier, e.g. dispatch costs or transportation and installation. At the request of the Customer, dispatch shall be insured by the Supplier against theft, breakage, transportation, fire and water damage and other insurable risks.
2. In the event that dispatch is delayed due to circumstances attributable to the Purchaser, the risk shall pass to the Purchaser upon the day of readiness for dispatch, the Supplier, however, shall be obliged, at the Purchaser's request, to take out any insurance requested by the latter.
3. Notwithstanding the rights stipulated in Section IX, items delivered are to be accepted by the Purchaser, even where minor defects are detected.

4. Partial deliveries are permissible and the accounts shall be settled in partial invoices.

VII. Acceptance

1. To the extent that acceptance has been provided for in the contract, acceptance shall be carried out without undue delay following delivery of the Product, or, alternatively following the Supplier's declaration of readiness for dispatch. The Customer shall not be entitled to refuse to accept the delivery because of minor defects.

2. If the Customer refuses to accept delivery due to significant defects, the Supplier shall be entitled to make subsequent improvements or replacement deliveries and then repeat its declaration of readiness for acceptance. Acceptance is deemed to have taken place if, within a period of twenty calendar days, the Customer fails to accept the delivery or make a declaration in writing specifying the unfulfilled items.

3. In the event that acceptance is delayed or if acceptance is not carried out at all due to circumstances attributable to the Customer, the risk shall, by derogation from Art. VI, pass to the Customer as of the day readiness for dispatch has been declared; the Supplier, however, shall be obliged to take out any insurance requested by the Customer, at the expense of the Customer.

VIII. Reservation of Title

1. The Supplier shall retain the right of ownership over the Product until all payments due from the Purchaser, on whatever legal grounds, as a result of the conclusion of this contract or which may arise in the future have been settled. The reservation of title does not exclude the right of the Purchaser to dispose of the supplied item in an ordinary business transaction or to further process it providing the Purchaser is not in arrears with its payments. The Purchaser may not give the item supplied in pledge and may not pledge it as security.

2. In the event of resale of the supplied items, regardless of whether doing so is permitted or not, the Purchaser shall assign all claims and rights acquired as a result of this resale against its purchaser to the Supplier, to the equivalent of the value of the item supplied. The Supplier herewith accepts this assignment.

The Purchaser shall be entitled to call in the assigned claims providing the Supplier does not withdraw this right. In any case, the Purchaser must transfer such called-in amounts immediately when the claims of the Supplier become due. Upon the request of the Supplier, the Purchaser must provide all details necessary to call the claims so that the

Supplier may inform the debtor of the assignment and demand that payment be made to its account.

3. The Purchaser shall undertake any processing or further processing of the supplied items into a new item on behalf of the Supplier in such a way that no obligations arise therefrom for the Supplier.

The Purchaser herewith grants the Supplier co-ownership in the new item in proportion of the value of the new item to the value of the item supplied.

4. In the event of combining, mixing or joining of the supplied items with other goods not supplied by the Supplier, the Supplier shall have co-ownership in the new item in proportion of the value of the supplied items to the other goods at the time of the combining, mixing or joining.

5. The Purchaser undertakes to keep safe the items for the Supplier free of charge.

6. In the event that the supplied items are resold together with other goods regardless of whether further processed, mixed, combined or joined, then the agreed advance assignment set out in para 2 of this clause shall only apply to the amount of the value of the supplied items which have been resold together with the other goods.

7. The value of the supplied items for the purposes of the above provision shall be the purchase price to be paid by the Purchaser to the Supplier in addition to a 20% surcharge.

8. In the event of a garnishment or any other risk to the reserved ownership rights or garnishments of the assigned claims, the Supplier shall be informed thereof immediately. The Purchaser shall provide all the documentation necessary for an intervention. Intervention costs shall in all cases be borne by the latter.

9. The Supplier undertakes, at its own discretion upon request of the Purchaser, to release securities acquired according to the above provision to the extent that their value exceeds the claim to be secured by 20%.

10. The Purchaser shall be obliged, at the request of the Supplier and at its own expense, to take out insurance against the usual risks for the retained goods.

11. Rights arising as a result of the reservation of title and all special forms thereof established in the present contract shall subsist until the Supplier is released from all liabilities, particularly from any possible obligations incurred in the interest of the Purchaser (cheque/bill of exchange transactions).

12. If retention of title is not effective in a foreign country, then it is expressly stipulated that the respective equivalent security interest valid in the country of destination shall apply.

IX. Liability for Defects of the Product

1. The Supplier's liability for defects of the product shall be limited as follows:

2. Defects in the Product shall be either repaired (subsequent performance) or replaced free of charge at the discretion of the Supplier.

3. If subsequent performance (repair or replacement) is unsuccessful, the Customer may, as a rule, demand that the purchase price be reduced or the contract rescinded (withdrawal), whichever option it prefers. In the case of a minor infringement of contract, in particular minor defects, the Customer, however, shall have no right to withdraw from the contract.

4. From the repair and/or replacement cost incurred, the Supplier shall bear - to the extent that the complaint is found to be justified - the cost for the replacement part, including transport, and all reasonable (dis)assembly costs and, if reasonable and required in the individual case, costs for its skilled and unskilled labor.

5. The Customer shall report in writing apparent defects within a period of ten days following receipt of the Product, no valid claim may be asserted otherwise. The time-limit set shall be deemed observed if the notification is sent in time. The Customer alone shall have to prove that all the necessary requirements for a valid claim exist, including, but not limited to, requirements relating to the defect itself, the time of its detection and the timeliness of the notification.

6. If, following unsuccessful subsequent performance concerning a defective title or a defect (collectively referred to as a defect), the

Customer chooses to rescind the contract, it shall have no further claim for damages resulting from such defect.

7. If, following unsuccessful subsequent performance, the Customer chooses to claim damages, the Product shall remain with the Customer unless this would be unreasonable to demand from the Customer. Liability shall in no case exceed the difference between the purchase price and the value of the defective Product. This shall not apply if the Supplier maliciously caused the violation of contract.

8. The warranty period shall be one year as of the date of delivery. Where acceptance has been agreed upon, the warranty period shall start on the day when the Product is accepted. In the case of used items, the prescription period shall be likewise one year as of the delivery, or, as the case may be, acceptance of the Product. This shall not apply, however, in the case where the Customer has notified the defect in time as provided for in No. 5 above.

9. As a rule, the agreed quality of the Product shall be solely determined by the Supplier's Product description. Public utterances, commendations, or promotion of the Supplier, however, shall in no case constitute any statements as to the contractual quality of the Product.

10. If the Customer receives defective operation, transport and/or installation instructions, the Supplier shall only be obliged to supply non-defective operation, transport and/or installation instructions; provided that the defect contained in the operation, transport and/or installation instructions impede the proper operation, transport and/or installation of the Product.

11. Supplier's guarantees within the legal meaning of the term shall be contained in the order confirmation and referred to as a warranty for a particular quality of the Product.

12. Warranty shall be excluded if the Customer or a third party commissioned by the Customer carries out inadequate repair work with respect to the Product. The same shall apply if the Product is altered without the Supplier's prior consent. Warranty shall likewise be excluded if the Customer alters the software or otherwise interferes with it, unless the Customer proves, when making its notification of the defect, that the error has not been caused by the interference. Only in urgent cases putting at risk the safety of the works or, as the case may be, for the purpose of preventing disproportionate damage - whereupon the Supplier shall be notified forthwith - shall the Customer be entitled to remove the defect by itself or have it removed by a third party and claim from the Supplier to be reimbursed for the necessary cost incurred. In all other cases, it shall, as a rule, not carry out work on the Product prior to the Supplier's decision on its subsequent performance.

13. Should the use of the Product result in an infringement of domestic industrial property rights or copyrights, the Supplier shall, as a rule, at its own expense make available to the Customer the right to continue to use the Product or to modify the Product in such a way that it is reasonably acceptable for the Customer and that it does no longer infringe industrial property rights. Where doing so would be disproportionately uneconomical or impossible within a reasonable period of time, the Customer shall be entitled to withdraw from the contract. Where the above prerequisites apply, the Supplier shall be likewise entitled to withdraw from the contract. Furthermore, the Supplier shall hold the Customer harmless for all undisputed or unappealable claims on the part of the holder of the industrial property right in question.

14. The obligations referred to under No. 13 above shall be the sole obligations to be assumed by the Supplier in the case of an infringed industrial property right or copyright; liability pursuant to Art. XI shall, however, remain unaffected.

They shall exist only if

- the Customer notifies the Supplier of claims received with respect to infringed industrial property rights or copyrights without undue delay.
- the Customer duly supports the Supplier in its defense against claims lodged, or as the case may be, in its efforts to carry through modification work pursuant to No. 13 above.
- all defensive measures, including out-of-court settlement, remain at the discretion of the Supplier,
- the defective title is not attributable to an instruction issued by the Customer and
- the infringement is not attributable to an unauthorized modification made by the Customer or a type of use not provided for in the contract.

X. Claims for Damages on the Part of the Supplier

1. In the event that the Supplier demands compensation for non-fulfillment and where it has not yet delivered the goods then it shall be entitled to a lump-sum compensation, without further substantiation, of 15% of the price, unless the Purchaser can show that no damage has been incurred or that the damage incurred has been significantly lower than the amount of the lump sum. If, however, the Supplier can prove that it has incurred damage exceeding the lump sum, it may also demand compensation for any such additional damage.

2. In the event that the Supplier takes back the item purchased under the agreed reservation of title, in connection with its claim for damages for non-fulfillment, then in addition to the agreed damages pursuant to para 1 above, it shall also be entitled to a lump sum compensation for the expenditure incurred for collection and disposal, amounting to 10% of the then applicable value of the goods withdrawn, unless the Purchaser proves that no damage has been incurred or that the damage incurred has been significantly lower than the lump sum.

3. The right of the Supplier to demand compensation shall furthermore be governed by the legal provisions and the content of these General Terms of Delivery.

XI. Exclusion and Limitation of Claims of the Purchaser

1. In the event of claims for compensation arising against the Supplier as a result of the contractual relations or in connection with the contractual relations (including fault at the time of the conclusion of the contract and tort), the Supplier shall only be liable to the Purchaser without limitation if the claims are based on intent or gross negligence on the part of the Supplier, its corporate organs, executives, its agents and/or employees.

The above exemption from liability shall not apply if it is based on so-called cardinal obligations or significant contractual obligations. In the case of slight negligence, liability shall be limited to the reasonably foreseeable damage intrinsic to the contract.

2. In the event of claims for damages for delay or impossibility, the Supplier shall be liable for simple negligence to a maximum amount of 10% of the order value relating to the part of the order affected by the delay or impossibility. Liability for intent and gross negligence in accordance with para 1 above shall remain unaffected.

3. Further or other claims for damages on the part of the Customer are herewith excluded; this shall, however, not apply to cases of liability according to the German Product Liability Act for defects of the Product causing death or personal injury, or damage to items of property that are used privately, for damage due to defects

fraudulently concealed by the Supplier or which occur despite specific guarantees or in the case of negligence causing harm to life, body or health.

XII. Software

1. To the extent that software is included in the scope of delivery, the Customer is herewith granted the non-exclusive right to use the software and the documentation supplied. Its use is permitted with respect to the specific Product. Any use of the software on other than the supplied system is strictly prohibited. The Customer is not entitled to demand from the Supplier to furnish the software source code.
2. The Customer shall not change, decompile, translate or extract parts of the software unless copyright law so expressly allows (Sec. 69 a ff. German Copyright Act UrhG). The Customer undertakes not to remove manufacturer labels - including, but not limited to copyright marks - without having obtained the prior express consent of the Supplier.
3. All other rights to the software and the documentation, including any copies that may exist, shall remain with the Supplier and/or the software supplier. No sublicenses shall be granted.

XIII. Supplementary Provisions for Packaging Machines

1. Each machine shall perform within the agreed tolerances, provided that only original materials (packaging material, filling materials) specified in the contract are used. The Supplier shall not be liable for damage attributable to the use of materials other than the original materials supplied. The original materials needed for adjustment and testing purposes along with an exact description of properties are to be made available to the Supplier upon its request by the Purchaser, free of charge, freight-free and together with the necessary shipping instructions for transportation to the Supplier and back.
2. The Supplier cannot be held liable for returning less of the original materials than it previously received, or for damage to original materials unless the diminution / damage is attributable to the Supplier's negligence.
3. The machines have been equipped in accordance with the regulations currently applicable in the Federal Republic of Germany. If the Customer requests equipment deviating from these regulations, it must inform the Supplier thereof when placing its order and make available the regulations in German or English. If necessary, the Supplier reserves the right to adapt prices accordingly or adapt delivery dates subsequent to the confirmation of the order.
4. The Customer shall be liable for taking the appropriate measures for any and all regulations exceeding those currently valid in the Federal Republic of Germany for the protection of personnel or third parties against possible chemical, biochemical, electrical, electro-chemical, electro-acoustical or similar influences resulting from the machine, packaging or filling materials.

XIV. Final Provisions

1. Deliveries to foreign countries shall be subject to the then applicable Incoterms, unless otherwise stipulated in the order or in these General Terms of Delivery.
2. The laws of the Federal Republic of Germany shall apply to the business relationship, including claims based on bills of exchange or cheques, whereas the application of the UN Convention on

Contracts for the International Sale of Goods (CISG) shall be expressly excluded. In the event that reference to German law in its totality is not permissible in a foreign country for deliveries made to the said foreign country, then the provisions of the foreign law which come closest to German law shall be considered to have been agreed upon.

3. The venue for all disputes arising out of the contractual relations, including disputes based on bills of exchange and cheques, shall be Gießen, providing the Purchaser is a full merchant, a legal entity under public law or a public law fund. The Supplier shall however also be entitled to file for legal action at the court having jurisdiction over the Purchaser.

4. In the event of a provision of these General Terms of Delivery is invalid, the validity of the remaining provisions shall not be affected thereby. The invalid provision shall be replaced by an appropriate legal provision.