

## General Terms and Conditions

Dienst Verpackungstechnik GmbH (hereinafter "Supplier")

General Terms and Conditions for the delivery of mechanical, electrical and electronic products (including spare parts and computer software) to business customers.

### Preamble

1. These General Terms and Conditions apply where they have been agreed by the parties in writing or by another method. When applied to a specific contract, any amendments or variations to the General Terms and Conditions must be in writing. The goods to be delivered under these General Terms and Conditions are referred to hereinafter as "Delivery Item". In these General Terms and Conditions any use of the words "in writing" shall mean: by way of a document that has been signed by both parties, or by way of a letter, fax, email or other form agreed by the parties.

The Supplier does not recognise any conditions which contradict or vary from these General Terms and Conditions unless they have been expressly confirmed by the Supplier in writing.

### Product Information

2. The details and information contained in the general product documentation and price lists - in electronic or other form - are only binding insofar as the contract makes express reference to them.

### Drawings | Specifications | Technical Documentation

3. Where one party provides the other with drawings and technical documents regarding the Delivery Item or its manufacture, either before or after conclusion of the contract, these shall remain the property of the party which provides them. Where one party receives drawings, technical documents or other technical information, these may not be used for any purpose other than that for which they were provided, without the consent of the other party. They may not be used for other purposes, copied, duplicated, passed on or disclosed to third parties, without the consent of the party which provides them.
4. The Supplier shall provide the Customer, generally by no later than the date of delivery, with information and drawings that will enable the Customer to set up, activate, maintain and service the Delivery Item. Where, on delivery of special machines or complex systems that are set up and activated by or on behalf of the Supplier, the documentation is not available in time for setting up or activation, it shall be submitted by the Supplier without delay.

Technical documentation in German includes:

- a. One electronic copy of:  
Operating instructions, circuit diagram, layout drawing of the machine, layout drawing of the machine components and a maintenance schedule.
- b. One electronic copy of:  
Quick user guide, list of recommended spare parts, CD ROM containing the full set of documentation as PDF file.  
The agreed number of such instructions and drawings must be submitted, and in any case at least one copy. The Supplier is not obliged to procure shop drawings for the Delivery Item or for spare parts. In addition, the foregoing obligation to supply documents does not apply to spare parts. The provision of documentation in other languages is subject to a cost-based supplement.

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Amtsgericht Wiesbaden \ HRB 18221  
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## Cardboard Boxes | Packaging Approval

5. Please note: the flat-form drawings provided by the Supplier are non-binding recommendations. In order to achieve the best possible machinability of the cardboard box submitted by the Supplier, as well as any cardboard box design specified by the Customer, the Customer and its suppliers shall work together to optimise them.

Samples are intended exclusively for initial assessment by the Supplier's design department. Since an advance assessment can only take place on the basis of experience with similar systems, the Supplier reserves the right to make changes during the initial factory tests and/or after the machine has been put into service at the Customer's premises.

Cardboard boxes are required for the format-dependent running-in of the system. The exact requirement is determined by the Project Manager in conjunction with the Customer. We recommend not specifying the final punching tool or going into mass production until after successful initial production at the Customer's premises. All packaging materials and products for testing purposes in Hochheim or Hofheim, and in the case of on-site assembly and transport of product and cardboard to our factories. Test material (product and cardboard boxes) is generally delivered free house duty paid.

## Technical Advice, Use and Processing

6. The Supplier's technical advice, whether verbal, in writing or by way of demonstration, is provided according to the best of our knowledge but is only intended as non-binding information including as regards third-party intellectual property rights. The advice shall not release the Customer from the obligation to carry out its own examination of both the information provided and the Supplier's products as regards their suitability for the intended processes and purposes. The application, use and processing of the products delivered by the Supplier, and of the products manufactured by the Customer on the basis of the Supplier's technical advice, occurs outside the Supplier's sphere of control and is therefore falls exclusively within the Customer's area of responsibility.

## Structural measures [not included in the purchase order]

- 7.1. The supply of compressed air and electricity to the system as well as cable channels between the system and the control box in the case of a separate control box.
- 7.2. All product-transport facilities and cardboard-box transport unless expressly mentioned
- 7.3. Access steps and platforms
- 7.4. All structural measures, repairs and/or costs of integrating the control box into the Customer's power distribution system.
- 7.5. Securing and/or disconnecting work areas during assembly
- 7.6. All items not included in this offer
- 7.7. Securing work area for assembly

## Checking | Acceptance Tests

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8. Unless otherwise agreed, contractually agreed acceptance tests are carried out at the place of manufacture during normal working hours.  
Where the contract contains no provisions on technical details, testing is based on the customary practice applicable to the relevant industry in the country of manufacture.
9. Prior to delivery, test runs are reported to the Customer as specified in the project plan so that the latter can make the necessary arrangements. Acceptance tests are carried out in the presence of both parties in accordance with the provisions specified in the contract. Where the Customer cancels its participation, the FAT is carried out by the Supplier. The FAT (Factory Acceptance Test) is limited to 1 or a maximum of 2 working days. Additional days requested by the Customer can be arranged subject to a surcharge.
10. Where, during the acceptance test, the Delivery Item proves to be in breach of contract, the Supplier shall rectify all defects without delay in order to bring the Delivery Item into line with the contract. The Customer can only demand a repeat of the tests in the case of material defects.
11. The Supplier shall bear all costs of the acceptance tests carried out at the place of manufacture. The Customer must however bear all the travel and living expenses incurred by its representatives in connection with the tests. The Customer shall also bear the cost of providing the Supplier with suitable materials for the acceptance test if the Supplier requests them.
12. Where installation/entry into service has been contractually agreed and, following completion of the assembly, all acceptance tests [SAT: Site Acceptance Test] have been successfully carried out, the work is deemed to have been accepted by the Customer. Where the Customer prevents the acceptance test from being held, acceptance is deemed to have taken place; the warranty period shall commence by way of written notification sent by the manufacturer to the Customer. Any postponement by the Customer must not exceed the time limit of 30 days.
13. SITE ACCEPTANCE TEST: The Customer declares its willingness to provide the Supplier with the material, personnel and equipment necessary for a successful SAT. It shall do this at its own expense. Tests are carried out under production conditions. All costs incurred by the Supplier due to the absence of products or a lack of production conditions, will be charged to the Customer. Following successful completion of the test runs, a SAT report will be prepared that will constitute the handover of the machine to the Customer and represents express acceptance.

#### Delivery, Transfer of Risk

14. Agreed delivery terms shall be interpreted according to the INCOTERMS valid on conclusion of the contract. Where there are no special delivery terms in the contract, the Delivery Item is deemed to have been delivered "ex works excluding packaging and loading" exclusive of statutory value added tax.
15. Where, in the case of ex works delivery, the Supplier undertakes, at the Customer's request, to dispatch the Delivery Item to its destination, the risk shall pass no later than the time at which the first forwarder accepts the Delivery Item. Partial deliveries are permitted unless otherwise agreed.

#### Delivery Time, Delay

16. Where, instead of a fixed delivery date, the parties agree on a period after the expiry of which delivery must take place, the period shall commence on conclusion of the purchase contract, completion of all official formalities, settlement of all payments due as of conclusion of the contract, provision of any agreed securities and compliance with any other agreed preconditions.

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17. Where the Supplier indicates a probable delivery date, this is always non-binding unless the parties specify a delivery time in writing by way of a special agreement. Compliance with the delivery period requires performance of the Customer's contractual obligations. The delivery time is deemed to have been met if the shipment is ready for delivery within the time limit and this has been communicated to the Customer.
18. Where delivery is delayed by any of the circumstances set out in Clause 43 or due to an act or omission by the Customer, including default on performance pursuant to Clauses 26 and 47, an extension to the delivery period will be granted commensurate with the circumstances. This provision applies irrespective of whether the reason for the delay occurs before or after the agreed delivery period.
19. If the Delivery Item is not delivered on the delivery date (as specified under Clauses 16-18), the Customer shall have a right to claim payment of lump-sum damages as from the date on which delivery should have taken place.  
The amount of lump-sum damages will be agreed separately. It must not however exceed 5 percent of the purchase price. Where only part of the delivery is delayed, the lump-sum damages will be determined based on the purchase price for that part of the Delivery Item which cannot be put to its intended use due to the delay. The lump-sum damages shall be due on assertion of the claim, in writing, by the Customer, but not before the delivery has been made in full or the contract is terminated under Clause 20.
20. Where, due to the length of the delay, the Customer is entitled to claim the highest amount of lump-sum damages under Clause 19, and the Delivery Item has not yet been delivered, the Customer may give the Supplier written notification of a final reasonable time limit for delivery of at least two weeks.
21. The Customer cannot assert any further rights against the Supplier regarding the lump-sum damages under Clause 19 in the event of the Supplier's failure to effect delivery. All other claims against the Supplier relating to delay are excluded unless there has been a culpable breach of essential contractual conditions, intent or gross negligence on the part of the Supplier. For the purposes of these General Terms and Conditions, gross negligence means an act or omission where the Supplier fails to exercise due care and attention regarding the occurrence of serious consequences which a responsible supplier normally would have foreseen, or where the Supplier deliberately fails to take account of the consequences of such an act or omission.
22. Where the Customer is aware that acceptance of the Delivery Item on the delivery date will be impossible, the Customer shall notify the Supplier of this without delay, setting out the reasons and, if possible, indicating the date on which delivery can be accepted.  
If the Customer fails to accept delivery on the delivery date, it shall nevertheless pay any part of the purchase price that is due on delivery as if the delivery had taken place. The Supplier shall arrange for storage of the Delivery Item at the Customer's own expense and risk. At the Customer's request, the Supplier shall insure the Delivery Item at the Customer's expense.
23. Where the Customer's failure to effect acceptance is not due to one of the circumstances set out in Clause 44, the Supplier can give the Customer written notification of a final reasonable time limit within which to accept delivery. If the Customer fails to accept delivery within such a time limit, through no fault of the Supplier, the Supplier may give written notification to rescind the contract in whole or in part. The Supplier then has a right to claim compensation for the loss that it has incurred due to the Customer's default. The total amount of

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compensation must not exceed the purchase price for the part of the Delivery Item in respect of which the contract is rescinded.

#### Payment

24. Unless otherwise agreed, the purchase price shall be due after the Supplier has informed the Customer that the Delivery Item or essential parts of the Delivery Item are ready for shipping. Unless otherwise agreed, prices shall be ex works at the factory, but excluding packaging and loading. In the case of liability for value added tax, this shall be added at the applicable statutory rate.
25. Irrespective of the means of payment used, payment is only deemed to have been made when the full invoice amount has been irrevocably credited to the Supplier's bank account. The goods shall remain the property of Dienst Verpackungstechnik GmbH until payment has been made in full.
26. Where the Customer is in arrears with payments, the Supplier can charge default interest as from the due date for payment. The rate of interest shall be determined by the parties. In the absence of such a provision, the agreed interest rate is deemed to be 8 percent above the rate of the marginal lending facility of the European Central Bank applicable on the due date for payment. In the event of a delay in payment, the Supplier may, following a written notification to the Customer, suspend performance of its own obligations until receipt of payments. Where the Customer is more than three months in arrears with its payments, the Supplier may, by way of written notification to the Customer, rescind the contract and demand compensation from the Customer for the loss incurred. The compensation shall not exceed the agreed purchase price.  
The Customer may only withhold payments or set them off against counter claims where its counter claims are undisputed or have been upheld by a final court judgement.

#### Reservation of Title

27. The Delivery Item shall remain the property of the Supplier until payment has been made in full, insofar as such reservation of title is valid under the applicable law.  
At the Supplier's request, the Customer shall provide the Supplier with comprehensive support in protecting the Supplier's title to the Delivery Item in the country concerned. Reservation of title shall be without prejudice to the provisions on transfer of risk under Clause 15.  
The Customer is obliged to ensure careful storage of the reserved goods on behalf of the Supplier, maintain and repair them at its own expense and insure them against loss and damage, at its own expense, to the extent expected of a prudent business man.

#### Liability under Warranty

28. Under Clauses 29-43, the Supplier is obliged to repair or replace, as it thinks fit, without charge, all parts of the Delivery Item, that are defective as a result of circumstances, verifiably existing prior to the transfer of risk, in particular due to a defect in design, material or workmanship.
29. The Supplier's liability under warranty is limited to defects arising within one year - or a shorter period where agreed - after delivery. Where daily operating hours of the Delivered Item exceed 8 hours per shift with 2 shifts per day (3750 operating hours in 12 months), the period shall be reduced accordingly.  
The Supplier's liability is limited to 12 months unless otherwise agreed as part of the contractual negotiations.
30. Where a defective part in the Delivery Item is rectified, the Supplier shall be liable for defects in the replacement or repaired parts supplied, according to the same conditions and for the same period as for the original Delivery Item. As regards all other parts, the time limit referred to under Clause 29 shall be extended

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only by the length of the interruption in the operation of the Delivery Item caused by the defect.

31. On discovery of defects, the Customer shall notify the Supplier, in writing, without delay. This notification of defects shall, in any case, be submitted within two weeks after delivery, and no later than 4 weeks after the line has been put into service.  
The notification must contain a description of the defect.  
If the Customer fails to give notification of defects to the Supplier in writing within the time limit specified in sub-clause 1 of this Clause, the Customer shall lose its right to rectification of the defect. If the defect may cause damage, the Customer shall notify the Supplier in writing without delay. The Customer shall bear the risk of loss arising from a failure to provide such notification.
32. Following receipt of the notification of defects under Clause 31, the Supplier shall rectify the defect without delay and at its own expense in accordance with Clauses 28 to 43.  
The defect must generally be rectified by way of repair or replacement of the faulty part. The Supplier may decide, at its own discretion, whether to have the faulty part or the Delivery Item sent back for repair or replacement. The Supplier's obligations regarding the defect shall cease on delivery to the Customer of the properly repaired or replaced part.
33. Where the Customer notified the Supplier about the defect pursuant to Clause 31, but no defect can be found for which the Supplier is liable, the Customer shall compensate the Supplier for the loss incurred by the Supplier as a result of the notification.
34. The Customer shall, on its own account, ensure that any equipment, not forming part of the Delivery Item, is dismantled and reassembled insofar as this is necessary for the rectification of defects.
35. Unless otherwise agreed, the shipment of parts of the Delivery Item by the Supplier in order to rectify defects for which the Supplier is liable, shall take place at the Supplier's own risk and expense. In the case of such shipments, the Customer shall follow the Supplier's instructions.
36. Unless otherwise agreed, the Customer shall bear all additional costs incurred by the Supplier, during repair, dismantling and reassembly and shipping, in the event that the location of the Delivery Item differs from the contractually agreed destination or - if no destination is specified - from the point of delivery.
37. Once replaced, defective parts must be sent to the Supplier in Hochheim and shall become the Supplier's property.
38. Where the Supplier fails, within a reasonable time, to comply with its obligations under Clause 32, the Customer can give the Supplier written notification of a final reasonable time limit within which the Supplier has to comply with its obligations.  
Where the Supplier fails to comply with its obligations within this time limit, the Customer may carry out the necessary repairs itself or have them carried out by a third party at the Supplier's expense.  
Where the repair is successfully carried out by the Customer or a third party, all of the Customer's rights to claim against the Supplier regarding this defect shall be settled by reimbursing the Customer for the reasonable costs incurred.

39. Where repair pursuant to Clause 38 fails, the Customer can require a reduction in the purchase price corresponding to the reduced value of the Delivery Item, but the reduction is under no circumstances permitted to exceed 10 percent of the purchase price.
40. The Supplier shall not be liable for any defects arising from materials provided by the Customer or from a design stipulated by the Customer.
41. The Supplier is only liable for such defects which occur under the contractually agreed operating conditions and during proper use of the Delivery Item. The Supplier shall not be liable for defects caused by: poor maintenance, improper assembly, defective repair by the Customer or modifications carried out without the written consent of the Supplier.  
Nor shall the Supplier's liability extend to normal wear and tear.
42. Subject to the provisions under Clauses 28-41, the Supplier is not liable for defects. This applies to any damage caused by the defect such as production stoppage, loss of profits and other indirect loss. The Supplier's limitation of liability does not apply in case of intent or gross negligence under Clause 31 or in the case of culpability for death, personal injury or damage to health. In this case, the Supplier shall be liable to the extent of its insurance protection.  
Nor shall the limitation of liability apply in the event of a culpable breach of essential contractual conditions. In the case of simple negligence, the Supplier shall only be liable for loss which is typical for the contract and reasonably foreseeable.  
Furthermore, the limitation of liability shall not apply in cases where liability arises under the Product Liability Act for defects in the Delivery Item giving rise to personal injury or damage to items used privately. Nor does it apply to defects that are fraudulently concealed by the Supplier or where the Supplier has guaranteed the absence of such defects.

#### Force Majeure

43. Both parties are entitled to suspend performance of their contractual obligations insofar as performance is made impossible or unduly difficult by the following circumstances:  
industrial disputes and all circumstances that are outside the control of the parties such as fire, war, natural disaster and strikes as well as general mobilisation, uprising, requisition, confiscation, embargo, restrictions on power consumption and defective or delayed deliveries by subcontractors as a result of the circumstances set out in this Clause.  
Circumstances arising before or after conclusion of the contract pursuant to this Clause, shall only entitle a party to suspend performance of contractual obligations to the extent that its effects on performance of the contract were not foreseeable at the time of conclusion of the contract.
44. The party relying on force majeure shall notify the other party, in writing and without delay, of the occurrence and end of such circumstances.  
Where force majeure obstructs the Customer in complying with its contractual obligations, it shall compensate the Supplier for costs incurred for securing and protecting the Delivery Item.
45. Irrespective of all the effects specified in these General Terms and Conditions, either party relying on force majeure shall have the right to rescind the contract by way of written notification to the other party where suspension of performance of the contract under Clause 44 lasts for more than 12 months.

#### Foreseeable Default

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46. Notwithstanding any provision to the contrary in these General Terms and Conditions, either party shall have the right to suspend the performance of its obligations where it is clear from the circumstances that the other party will not be able to meet its obligations. The party suspending performance of its obligations shall notify the other party, in writing, without delay.

#### Consequential Loss

47. Except as otherwise provided in these General Terms and Conditions, neither party shall be liable to the other for production stoppages, loss of profit, loss of use, downtime, contractual penalties or any other consequential or indirect loss.

This exclusion of liability does not apply in case of intent or gross negligence under Clause 21 or in the case of culpability for death, personal injury or damage to health. Nor shall it apply in the event of a culpable breach of essential contractual conditions. In the case of a breach of an essential contractual condition due to simple negligence, however, the Supplier shall only be liable for loss which is typical for the contract and reasonably foreseeable.

Furthermore, the exclusion of liability shall not apply in cases where liability arises under the Product Liability Act for defects in the Delivery Item giving rise to personal injury or damage to items used privately. Nor shall it apply in the case of loss due to fraudulent deception or in spite of specific guarantees.

#### Special Provisions for Computer Software

48. With regard to the delivery of computer software that is delivered with and/or intended for the Supplier's mechanical, electrical and/or electronic products, regardless of whether it is delivered, for example, along with the machine on a separate data storage medium or already pre-installed, or is made available for download or supplied at a later date, for example, as an update or upgrade, these General Terms and Conditions shall be supplemented by the Conditions of Use for Computer Software of Dienst Verpackungstechnik GmbH.

#### Place of Performance, Jurisdiction and Applicable Law

49. The place of performance for all obligations of the parties arising under this contract shall be Hochheim. In the case of contracts with traders, legal entities under public law and special funds under public law, the place of jurisdiction shall be Wiesbaden.

The contract shall be subject to the substantive law in the country of the Supplier. The UN Convention on the International Sale of Goods, or remission rules under German law, shall not apply.