

GENERAL TERMS AND CONDITIONS OF SALE AND DELIVERY
of
CL Machinery GmbH

1. Scope of Application

- 1.1 Sales and deliveries by CL Machinery GmbH ("CLM") shall be made exclusively in accordance with the following General Terms and Conditions of Sale and Delivery ("Terms of Delivery"), which shall be accepted by the Customer by the placing of an order or the receipt of delivery. They shall also apply to all future transactions with the Customer. The application of the Customer's conflicting or supplementary Terms of Delivery shall be excluded, even if CLM does not expressly object to such terms and conditions.
- 1.2 For any installations and repairs to be performed by CLM, the specific provisions for installation and repair services set forth in Section 11 shall apply in addition.

2. Conclusion of Contract

- 2.1 Offers by CLM shall be non-binding. A contract shall not become effective until it has been confirmed by CLM in a written confirmation of order and shall be governed exclusively by the contents of the confirmation of order and these Terms of Delivery. Oral agreements or promises are only valid if they have been confirmed by an authorized employee of CLM in writing.
- 2.2 The Customer undertakes to inform CLM about all statutory requirements of the markets (in particular with regard to the requirements for the material to be used for the manufacturing of the goods to be delivered ("Goods")) and to coordinate with CLM any amendments of the Goods which may become necessary.
- 2.3 The Customer is obliged to inform CLM about any change in the technical process of the production to the extent such change affects the products delivered by CLM. This shall apply particularly to changes in the production lines "containers/apertures", "bottling procedure" and "products".

Any changes of the Goods and/or their manufacturing processes, in particular effects on the price and/or delivery dates, must be coordinated by the parties by mutual consent. If a Customer does not comply with its obligation to render information, it shall indemnify CLM against any damages and claims asserted by third parties to the extent they are based on the Customer's breach of obligation and the Customer bears responsibility in this regard.

- 2.4 CLM retains all rights in the sales documentation (in particular pictures, drawings, data on weight and size) and the samples. These items must not be made available to third parties and must be returned to CLM without undue delay on demand.

3. Delivery Periods and Deadlines

- 3.1 Deadlines and delivery periods are only binding if they have been confirmed by CLM in writing and the Customer has communicated to or provided CLM in a timely manner, with all of the information and documentation required for the performance of such delivery and the Customer has paid any advance payments in the manner and amount as agreed upon by the parties. Delivery periods agreed upon shall commence on the date of the confirmation of order. In the event of additional or supplementary orders, the delivery periods and deadlines shall be extended or rescheduled accordingly, as applicable.
- 3.2 Events which are unforeseeable, unavoidable and lie beyond the control and sphere of influence of CLM and for which CLM does not bear responsibility, such as acts of God, war, natural disasters or labor disputes, shall release CLM for the duration of such event from its obligation to make timely delivery or perform timely. Delivery periods and deadlines agreed upon shall be extended or rescheduled, as applicable, by the length of such disturbance; the Customer shall be informed of the occurrence of such event in a reasonable manner. If the end of such disturbance is not foreseeable, or should it continue for more than two months, each party is entitled to rescind the contract.
- 3.3 With regard to Goods which CLM does not produce itself, the obligation to deliver shall be subject to CLM's correct and timely receipt of such Goods from its suppliers.
- 3.4 If the Customer specifies the material of a particular sub-supplier for the manufacturing of the Goods, CLM shall not be liable for the sub-supplier's ability to perform, unless CLM is responsible for the sub-supplier's inability to perform.
- 3.5 If deliveries by CLM are delayed, the Customer shall only be entitled to rescind the contract if CLM is responsible for the delay and a reasonable grace period set by the Customer has expired.

3.6 Should the Customer be in default of the acceptance of delivery or should it be in breach of any other obligations to cooperate, CLM shall be entitled, without prejudice to its other rights, to reasonably store the Goods at Customer's risk and expense or to rescind the contract in accordance with the statutory provisions.

3.7 CLM may make partial deliveries for good reasons provided this is reasonable for the Customer.

3.8 CLM shall be entitled to make excess or short deliveries customary in this business.

4. Shipment, Passage of Risk, Transport Insurances

4.1 Unless agreed otherwise by the parties, shipment shall be made in the customary packaging using a reasonable method of shipment.

4.2 Unless agreed otherwise by the parties, the following shall apply: The risk shall pass to the Customer (i) upon delivery of the Goods to the carrier commissioned by CLM in case of a contract of sale involving the shipment of goods, (ii) upon handover to the Customer if the Customer collects the Goods itself, or (iii) upon handover to a third party if a third party authorized by the Customer collects the Goods. Should the Customer be in default of acceptance, risk shall pass to the Customer upon default. If, in case the Goods shall be collected by the Customer or a third party authorized by the Customer, and delivery is delayed on grounds for which the Customer bears responsibility, risk shall pass to the Customer on the date of the notification to the Customer of the readiness of the Goods for shipment. Insurances shall be taken out only upon request and at the expense of the Customer.

5. Prices, Terms of Payment

5.1 Unless the parties have agreed upon a certain price, the price shall be determined in accordance with CLM's price list as applicable at the date of conclusion of the contract.

5.2 Unless otherwise agreed by the parties, all prices of CLM are ex works Worms exclusive of statutory VAT in the respective applicable amount and do not include any shipment or packaging costs, which will be charged separately. The Customer shall bear any public charges such as possible customs duties arising in connection with the import of the Goods.

5.3 CLM shall be entitled to issue partial invoices for partial deliveries as defined in Section 3.7.

5.4 Invoices by CLM shall be due for payment without any deductions within 30 days of the date of invoice; if this period for payment lapses unsuccessfully, the Customer shall be in default. Payments by the Customer shall not be deemed to have been made until CLM has received such payment.

5.5 In the event that the Customer is in default of payment, CLM shall be entitled to demand default interest in the applicable statutory amount. Any claims for further damages due to the default shall remain unaffected.

5.6 Bills of exchange and checks shall only be taken on account of performance upon special arrangement and without any bank charges or other costs for CLM.

5.7 The Customer is only entitled to a set off if its counterclaim is uncontested, ready for decision or has been finally adjudicated.

5.8 The Customer is only entitled to assert a right of retention to the extent that its counterclaim is based on the same contract or is uncontested, ready for decision or has been finally adjudicated.

5.9 If CLM becomes aware of the risk of the Customer's inability to perform (*mangelnde Leistungsfähigkeit*) after the conclusion of the contract, CLM shall be entitled to make any outstanding deliveries only against prepayment or the provision of security. If such prepayments or securities have not been rendered even after the expiration of a reasonable grace period, CLM may partially or totally rescind any individual or all of the contracts concerned. CLM shall be entitled to assert further rights.

6. Quality, Customer's Rights in case of Defects, Duty to Inspect the Goods

6.1 Upon passing of the risk the Goods shall be of the agreed quality; the quality will exclusively be determined by the specific written agreements concerning the characteristics, features and specifications of the Goods ("Quality Agreement"). If the Customer specifies the material of a particular sub-supplier for the manufacturing of the Goods, then the Agreement on Quality will only encompass the use of the material specified by the Customer and not the suitability of the material for any intended purpose of Customer.

6.2 Information provided in sales catalogues, price lists and any other informative literature provided by CLM as well as any other descriptions of the Goods shall under no circumstances constitute a guarantee for any specific quality of the Goods; such specific quality or durability guarantees must explicitly be made in writing.

- 6.3 The Customer's warranty rights shall require that it inspects the Goods upon delivery without undue delay and notifies CLM without undue delay of any defects in writing, but no later than two weeks following delivery; hidden defects must be notified to CLM in writing without undue delay upon their discovery.
- 6.4 In the event of any notification of a defect, CLM shall have the right to inspect and test the Goods to which objection was made. The Customer shall grant CLM the required period of time and opportunity to exercise such right. CLM may also demand from the Customer that it returns the Goods to which objection was made to CLM at CLM's expense. Should the Customer's notification of a defect prove to be unjustified and provided the Customer has realized this prior to the notification of the defect or has not realized it in a negligent manner, the Customer shall be obliged to reimburse CLM for all costs incurred in this respect, e.g. travel expenses or shipping costs.
- 6.5 CLM shall be entitled to remove the defect at its option by remedying the defect or, alternatively, by the delivering a replacement (jointly "Subsequent Performance"), both free of charge to the Customer.
- 6.6 The Customer shall grant CLM the necessary appropriate time and opportunity for the Subsequent Performance. For the purpose of the Subsequent Performance the Customer in particular grants CLM the right to re-sort defective deliveries (charges) itself or via third parties commissioned by CLM or to sort out defective Goods, respectively, or to re-finish defective Goods (in particular closures).
- 6.7 Any parts which have been replaced by CLM shall, on demand by CLM, be returned to CLM.
- 6.8 Customer's rights in case of defects shall be excluded in the following events: (i) defects of the Goods due to reasons for which Customer is responsible, such as inappropriate or improper use, in particular also by the non-observance of the operational instructions, incorrect start-up of operation, faulty treatment or incorrect installation by the Customer or a third party commissioned by the Customer, unsuitable accessories, unsuitable spare parts, inappropriate repair works or (ii) for defects arising due to natural wear and tear.
- 6.9 CLM shall bear the costs for shipment, travel, labor and material which accrue for the purpose of the Subsequent Performance.
- 6.10 Should the Subsequent Performance fail, should such remedy be unreasonable for the Customer or has CLM refused such remedy according to Section 439 (3) German Civil Code ("*BGB*"), the Customer may, at its option and in accordance with the statutory provisions, rescind the contract or reduce the purchase price and/or claim damages pursuant to Section 7 or the reimbursement of its futile expenses.
- 6.11 The period of limitations for claims for defects of the Customer shall be twelve months beginning with the handover of the Goods to the Customer. The provisions of Section 479 BGB on the statute of limitation remain unaffected. The statutory limitation periods remain applicable to claims of the Customer for damages which were not caused by defective Goods or with regard to any rights of the Customer with respect to defects concealed in bad faith or caused intentionally.

7. Liability and Damages

- 7.1 Subject to the provisions in Section 7.2 CLM's obligation to pay damages shall be limited as follows:
- (i) For damages caused by a slightly negligent breach of a material contractual obligation CLM shall only be liable up to the amount of the typically foreseeable damage at the time of entering into the contract;
 - (ii) CLM shall not be liable for damages caused by a slightly negligent breach of a non-material contractual obligation.
- 7.2 The limitation of liability as set out above does not apply to any mandatory statutory liability (in particular to liability under the German Product Liability Act) or to any liability for assuming a specific guarantee nor to any liability for culpably caused personal injuries.
- 7.3 The Customer shall take all reasonable measures to avert and reduce damages.

8. Product Liability

In the event that the Customer sells the Goods, whether unchanged or changed, whether after processing, transformation, joining, blending or mixing with other goods, the Customer shall indemnify CLM in their internal relationship against any product liability claims of third parties if and to the extent the Customer is responsible for the defect leading to the liability also within their internal relationship.

9. Retention of Title

9.1 The Goods shall remain the property of CLM until any and all claims of CLM arising under its business relationship with the Customer have been paid in full.

9.2 In the case of current accounts, such retention of title shall serve as security for the claim of the balance to which CLM is entitled.

9.3 The Customer shall only be allowed to sell the products subject to retention of title ("Products subject to Retention of Title") within normal and proper business transactions. The Customer hereby already assigns to CLM any receivables arising from the resale of the Products subject to Retention of Title, and CLM hereby already accepts such assignment. The Customer is granted the revocable authorization to collect in trust the claims assigned to CLM in its own name. CLM may revoke such authorization and the right to resell the Products subject to Retention of Title if the Customer is in default of the performance of material obligations such as making payment to CLM; in the event of such revocation, CLM shall be entitled to collect the respective claim itself. Customer is not entitled to pledge the Products subject to Retention of Title, grant chattel mortgages on them or make other dispositions endangering CLM's title to such Products subject to Retention of Title.

Should the Customer sell the Products subject to Retention of Title after processing or transformation or joining, blending or mixing of such Products subject to Retention of Title with other goods or together with other goods, the assignment of receivables shall only be agreed for an amount equivalent to the price agreed between CLM and the Customer plus a safety margin of 10 % of this price.

9.4 Any processing or transformation of the Products subject to Retention of Title by the Customer shall always be performed for CLM. If Products subject to Retention of Title are processed with other goods, CLM shall acquire joint ownership of the new goods in the ratio of the value of the Products subject to Retention of Title to the other processed goods at the time of processing. The new goods created by way of processing shall be subject to the same provisions as applicable to the Products subject to Retention of Title.

9.5 Should the Products subject to Retention of Title be joined, blended or mixed with other goods, CLM shall acquire joint ownership of the new goods in the ratio of the value of the Products subject to Retention of Title to the other goods at the date of joining, blending or mixing. Should the joining, blending or mixing of the goods occur in such manner that the Customer's good has to be viewed as the main good, it shall be deemed to be agreed that the Customer assigns proportionate joint ownership to CLM. The Customer shall hold the joint ownership created in such manner in custody for CLM.

9.6 The Customer shall provide CLM at all times with all desired information concerning the Products subject to Retention of Title or receivables assigned to CLM under this contract. Attachments of or claims by third parties regarding the Products subject to Retention of Title shall immediately be reported to CLM by the Customer and be accompanied by the necessary documents. The Customer shall at the same time advise the third party of CLM's retention of title. The costs of a defense against any such attachment and claim shall be borne by the Customer.

9.7 The Customer is obliged to treat the Products subject to Retention of Title with care for the duration of the retention of title.

9.8 Should the realizable value of the securities exceed all of CLM's claims which are to be secured by more than 10 %, the Customer shall be entitled to demand a release to such extent.

9.9 Should the Customer be in default of material obligations such as payment to CLM and should CLM rescind the contract, CLM may, notwithstanding any other rights, request surrender of the Products subject to Retention of Title and make use of them otherwise for the purpose of satisfying its matured claims against the Customer. In such case, the Customer shall grant CLM or CLM's agents immediate access to the Products subject to Retention of Title and surrender the same.

9.10 In the case of deliveries to other jurisdictions in which the foregoing provisions governing the retention of title do not have the same security effect as in Germany, the Customer shall do everything to create equivalent security rights for CLM without undue delay. The Customer shall cooperate in all measures such as registration, publication, etc., which are necessary and beneficial to the validity and enforceability of such security rights.

9.11 On CLM's demand, the Customer is obliged to insure the Products subject to Retention of Title appropriately, to provide CLM with the respective proof of such insurance and to assign the claims arising from such insurance to CLM.

10. Intellectual Property Rights

10.1 The Customer shall not perform any act which may endanger the trademarks or other intellectual property rights used by CLM in relation to the objects of delivery, and shall neither authorize any third party in this respect.

- 10.2 If the Customer instructs CLM by means of specific instructions, information, documentation, drafts or drawings, how to manufacture the products to be delivered, the Customer shall warrant that hereby CLM does not infringe any rights of third parties, such as patents, utility models and other intellectual property rights and copyrights. The Customer shall indemnify CLM against any claims of third parties possibly asserted against CLM due to such infringement.

11. Specific Provisions for Installation and Repair Services

- 11.1 The installation and/or repair works ("Services") pursuant to Section 1.2 shall be performed in accordance with the following provisions of Section 11; unless it is specifically provided otherwise in Section 11, the Terms of Delivery shall be applicable incidentally.
- 11.2 CLM shall render the Services pursuant to the respective technical specifications agreed upon by the parties. In this context also the time frame for rendering the Services, the price, the exact scope of the installation and/or repair works and any other relevant details shall be stipulated. Sections 2.1 and 11.3, respectively, shall apply in this respect.
- 11.3 In derogation of Section 2, CLM shall provide a cost estimate upon the Customer's request. In such case the contract on the performance of Services shall only come into existence once the Customer has placed a written order on the basis of this cost estimate.
- 11.4 The Services to be performed by CLM shall be rendered regularly from Monday to Friday between 8 a.m. and 5 p.m. The Customer shall be informed in advance about the exact time when the Services will be rendered within the agreed time frame. Should this time not be convenient for the Customer, another date may be agreed upon subject to CLM's technical and operational possibilities.
- 11.5 CLM operates a telephone hotline for machine spare parts which is available 24 hours on seven days per week. After consultation via the hotline a date for rendering the Services may be agreed upon at any time.
- 11.6 The Customer shall take all measures necessary and reasonable to enable CLM to render the Services. Should the Customer fail to comply with this obligation due to circumstances for which he is responsible, and if a reasonable grace period set by CLM has expired, CLM shall be entitled, but not obliged, to perform the actions which were incumbent on the Customer and at the expense of the Customer. Irrespective of the foregoing, the statutory rights and claims of CLM shall remain unaffected.
- 11.7 The Customer is obliged to accept any Services rendered in accordance with the contract. The acceptance is deemed to have been made if the Customer does not accept the Services rendered by CLM within a reasonable time period granted by CLM even though the Customer is obliged to do so.
- The Customer must accept repairs and any other Services once it has been notified of their completion and, if applicable, the object, for which the services were rendered, has been tested according to the contractual provisions. An acceptance protocol shall be prepared upon either party's request.
- In the event of installations and start-up of machines and devices, the Customer shall be obliged to prepare an acceptance protocol. The acceptance protocol shall include in particular the date of acceptance, the time of acceptance, any ascertained defects and any other contract-relevant aspects discussed during the acceptance. This acceptance protocol must be signed by the Customer and CLM or a third party appointed by CLM.
- 11.8 Unless a fixed price pursuant to Section 11.2 has been agreed upon, the remuneration for the Services shall be calculated on the basis of the actual time spent for rendering the Services pursuant to the price list of CLM as applicable upon conclusion of the contract; any costs (charges, expenses, mileage allowance) incurred by CLM shall be charged to the Customer in addition (and without surcharge).
- CLM shall be entitled to raise the prices set out in the price list as applicable upon conclusion of the contract proportionally if, after conclusion of the contract, CLM has incurred unforeseeable considerable cost increases for wages and salaries of its employees or for the purchase of materials, and CLM is not responsible for such increase. In turn, CLM shall accordingly also pass on cost reductions.
- 11.9 For Services to be rendered at the Customer's premises, also waiting and travel time shall be charged in addition to the working time pursuant to Section 11.8. They are subject to the same hourly rates as applicable for the working time (see above Section 11.8). The waiting and travel hours must be documented. They either result from the travel time from CLM's premises to the respective place where the Services have to be performed, or if shorter, from the location of the repair directly performed beforehand, or in the morning, from the place of residence of the respective CLM employee.

CLM shall diligently prepare the schedules and itineraries to keep travel times as short as possible. Delays caused by traffic shall be at the Customer's expense.

- 11.10 Spare parts and materials shall be charged separately (to the extent they are not anyway ordered, delivered and paid in accordance with Sections 1 to 10 above).
- 11.11 CLM shall render its Services in accordance with the state of the art.
- 11.12 The Customer shall notify CLM in writing immediately upon discovery of a non-obvious defect; otherwise any of the Customer's rights in case of defects shall be excluded.
- 11.13 Should the Subsequent Performance fail, should such remedy be unreasonable for the Customer or has CLM refused such remedy according to Section 635 (3) BGB, the Customer may, at its option and in accordance with the statutory provisions, (i) remedy the defect itself and demand reimbursement of the necessary expenses or (ii) rescind the contract or reduce the remuneration and/or (iii) claim damages pursuant to Section 7 or the reimbursement of its futile expenses.
- 11.14 The 12-month limitation period stipulated in Section 6.11 shall commence upon acceptance of the Services.
- 11.15 Otherwise, Sections 6 and 7 shall apply accordingly to any warranty and damage claims of the Customer.

12. General Provisions

- 12.1 Amendments of and supplements to the contract and/or these Terms of Delivery and any side agreements must be made in writing. The same shall also apply to the amendment of this written form requirement.
- 12.2 If a provision of this contract and/or these Terms of Delivery is fully or partially invalid, the validity of the remaining provisions shall remain unaffected thereby. In such case the parties undertake to replace the invalid provisions by such valid provision that comes closest to the economic purpose of the invalid provision.
- 12.3 Exclusive venue for all disputes arising from or in connection with the contractual relationship shall be Worms, Germany. CLM shall be entitled, however, to sue the Customer at any other court having statutory jurisdiction.
- 12.4 The laws of the Federal Republic of Germany shall apply to these Terms of Delivery and the parties' contractual relationship with the exception of the UN Convention on Contracts for the International Sale of Goods (CISG).