

SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a)
of the Securities Exchange Act of 1934

Filed by the Registrant /X/

Filed by a Party other than the Registrant / /

Check the appropriate box:

- / / Preliminary Proxy Statement
- / / Confidential, for use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- /X/ Definitive Proxy Statement
- / / Definitive Additional Materials
- / / Soliciting Material Pursuant to 240.14a-11(c) or 240.14a-12

GREIF BROS. CORPORATION
(Name of Registrant as Specified in its Charter)

NOT APPLICABLE
(Name of Person(s) Filing Proxy Statement)

Payment of Filing Fee (Check the appropriate box):

- /X/ No fee required
- / / Fee computed on table below per Exchange Act Rules 14(a)-6(i)(4) and 0-11

- (1) Title of each class of securities to which transaction applies:

- (2) Aggregate number of securities to which transaction applies:

- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11:

- (4) Proposed minimum aggregate value of transaction:

- (5) Total fee paid:

/ / Fee paid previously with preliminary materials

/ / Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing,

- (1) Amount Previously Paid:_____
- (2) Form, Schedule or Registration Statement No.:_____
- (3) Filing Party:_____
- (4) Date Filed:_____

GREIF BROS. CORPORATION
425 WINTER ROAD
DELAWARE, OHIO 43015

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To the Class B Stockholders of
Greif Bros. Corporation:

Notice is hereby given that the Annual Meeting of Stockholders of Greif Bros. Corporation (the "Company") will be held at the principal executive offices of the Company, 425 Winter Road, Delaware, Ohio 43015, on February 26, 2001, at 10:00 A.M., E.S.T., for the following purposes:

1. To elect nine directors to serve for a one-year term;
2. To consider and vote upon a proposal to approve the Company's 2001 Management Equity Incentive and Compensation Plan; and
3. To transact such other business as may properly come before the meeting or any adjournment or adjournments thereof.

Only Stockholders of record of the Class B Common Stock at the close of business on January 24, 2001, will be entitled to notice of and to vote at this meeting.

Whether or not you plan to attend this meeting, we hope that you will sign the enclosed proxy and return it promptly in the enclosed envelope. If you are able to attend the meeting and wish to vote in person, at your request we will cancel your proxy.

January 26, 2001

Kenneth E. Kutcher
Secretary

GREIF BROS. CORPORATION
425 WINTER ROAD
DELAWARE, OHIO 43015

PROXY STATEMENT

ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD FEBRUARY 26, 2001

To the Class B Stockholders of Greif Bros. Corporation:

This Proxy Statement is being furnished to the Class B Stockholders of Greif Bros. Corporation, a Delaware corporation (the "Company"), in connection with the solicitation by Management of proxies that will be used at the Annual Meeting scheduled to be held on February 26, 2001, at 10:00 A.M., E.S.T., at the Company's principal executive offices, 425 Winter Road, Delaware, Ohio 43015. It is anticipated that this Proxy Statement and form of proxy will first be sent to the Class B Stockholders on or about January 26, 2001.

PROXIES AND VOTING

At the meeting, the Class B Stockholders will vote upon: (1) the election of nine directors; (2) a proposal to approve the Company's 2001 Management Equity Incentive and Compensation Plan; and (3) such other business as may properly come before the meeting or any and all adjournments.

Class B Stockholders do not have the right to cumulate their votes in the election of directors, and the nine nominees receiving the highest number of votes will be elected as directors. The vote required for the approval of the Company's 2001 Management Equity Incentive and Compensation Plan is the favorable vote of a majority of the outstanding shares of the Class B Common Stock present, in person or by proxy, at the Annual Meeting.

Shares of Class B Common Stock represented by properly executed proxies will be voted at the Annual Meeting in accordance with the choices indicated on the proxy. If no choices are indicated on a proxy, the shares represented by that proxy will be voted in favor of the nine nominees described in

this Proxy Statement and in favor of the proposal to approve the Company's 2001 Management Equity Incentive and Compensation Plan. Any proxy may be revoked at any time prior to its exercise by delivering to the Company a subsequently dated proxy or by giving notice of revocation to the Company in writing or in open meeting. A Class B Stockholder's presence at the Annual Meeting does not by itself revoke the proxy.

1

Abstentions will be considered as shares of Class B Common Stock present and entitled to vote at the Annual Meeting and will be counted for purposes of determining whether a quorum is present. Abstentions will not be counted in determining the votes cast for the election of directors and will not have a positive or negative effect on the outcome of the election. Because the proposal to approve the Company's 2001 Management Equity Incentive and Compensation Plan requires the favorable vote of a majority of the outstanding shares of Class B Common Stock present, in person or by proxy, at the Annual Meeting, abstentions will have the same effect as a vote against this proposal.

If your Class B Common Stock is held in street name, you will need to instruct your broker regarding how to vote your Class B Common Stock. If you do not provide your broker with voting instructions regarding the election of directors, your broker will nevertheless have the discretion to vote your shares of Class B Common Stock for the election of directors. There are certain other matters, however, over which your broker does not have discretion to vote your Class B Common Stock without your instructions - these situations are referred to as "broker non-votes." The proposal regarding the approval of the Company's 2001 Management Equity Incentive and Compensation Plan falls into this category. If you do not provide your broker with voting instructions on this proposal, your shares of Class B Common Stock will not be voted on this proposal. Because broker non-votes will be considered as shares of Class B Common Stock present and entitled to vote for this proposal, broker non-votes will have the same effects as a vote against this proposal.

The close of business on January 24, 2001, has been fixed as the record date for the determination of Class B Stockholders entitled to notice of and to vote at the Annual Meeting and any adjournment thereof. On the record date, there were outstanding and entitled to vote 11,842,859 shares of Class B Common Stock. Each share is entitled to one vote.

PROPOSAL NO. 1 - ELECTION OF DIRECTORS

Elect Nine Directors to Serve for a One-Year Term

The number of directors currently is fixed at nine, with each director serving for a one-year term. At the Annual Meeting, shares of the Class B Common Stock represented by the proxies, unless otherwise specified, will be voted to elect as directors Michael J. Gasser, Charles R. Chandler, Michael H. Dempsey, Naomi C. Dempsey, Daniel J. Gunsett, John C. Kane, Robert C. Macauley, David J. Olderman and William B. Sparks, Jr., the nine persons nominated by the Nominating Committee of the Board of Directors, all of whom are currently directors of the Company and have served continuously since their first election or appointment. Each of the nominees has consented to being named in the proxy statement and to serve if elected.

If any nominee is unable to accept the office of director, or will not serve, which is not anticipated, the persons named in the proxy will not have authority to vote it for another nominee.

Directors' Biographies

MICHAEL J. GASSER, 49, has been a director since 1991. He has been Chairman of the Board of Directors and Chief Executive Officer of the Company since 1994. He has been an executive officer of the Company since 1988. He is a member of the Executive, Nominating and Stock Repurchase Committees. He is also a director for Bob Evans Farms, Inc., a restaurant and food products company.

CHARLES R. CHANDLER, 65, has been a director since 1987. He has been Vice Chairman of the Company since 1996. During 1999, Mr. Chandler also became President of Soterra LLC, a subsidiary of the Company. Prior to 1996, and for more than five years, Mr. Chandler had been the President and Chief Operating Officer of Virginia Fibre Corporation, a former subsidiary of the Company. He is a member of the Executive Committee.

MICHAEL H. DEMPSEY, 44, has been a director since 1996. He is an investor. Prior to 1997, and for more than five years, he had been the President of Kuschall of America, a wheelchair manufacturing company. He is a member of the Audit, Compensation and Executive Committees. Mr. Dempsey is the son of Naomi C. Dempsey.

NAOMI C. DEMPSEY, 84, has been a director since 1995. She is an investor and member of the Nominating and Stock Option Committees. Mrs. Dempsey is the mother of Michael H. Dempsey.

DANIEL J. GUNSETT, 52, has been a director since 1996. For more than five years, he has been a partner with the law firm of Baker & Hostetler LLP. He is a member of the Audit, Compensation, Executive, Nominating, Stock Option and Stock Repurchase Committees.

JOHN C. KANE, 61, has been a director since 1999. Prior to 2001, and for more than five years, he was President and Chief Operating Officer of Cardinal Health, Inc., a health-care services company, and was a director for Cardinal Health, Inc. He is a member of the Audit, Compensation and Stock Option Committees. He is also a director of Connetics Corporation, a biopharmaceutical company.

ROBERT C. MACAULEY, 77, has been a director since 1979. He is an investor. He is the founder of AmeriCares Foundation. Prior to 1998, and for more than five years, he had been the Chief Executive Officer of Virginia Fibre Corporation, a former subsidiary of the Company.

DAVID J. OLDERMAN, 65, has been a director since 1996. He is an investor. Prior to 1997, and for more than five years, he had been Chairman, owner and Chief Executive Officer of Carret and Company, Inc., an investment consulting firm. He is a member of the Audit, Compensation and Stock Option Committees. He is also a director for Van Eck Global Funds, a group of mutual funds, Laidig, Inc., an engineering company, Chubb Investment Funds, a group of mutual funds, and Signal Corporation, a financial services holding corporation.

WILLIAM B. SPARKS, JR., 59, has been a director since 1995. He has been President and Chief Operating Officer of the Company since 1995. Prior to that time, and for more than five years, Mr. Sparks was Chief Executive Officer of Down River International, Inc., a former subsidiary of the Company. He is a member of the Executive Committee.

In the tabulating of votes, abstentions and broker non-votes will be disregarded and have no effect on the outcome of the vote.

PROPOSAL NO. 2 - APPROVAL OF THE 2001 MANAGEMENT EQUITY INCENTIVE
AND COMPENSATION PLAN

On December 4, 2000, the Company adopted the 2001 Management Equity Incentive and Compensation Plan (the "Plan"). The Stock Option Plan Committee of the Company's Board of Directors (the "Committee") is responsible for administering the Plan. The purpose of the Plan is to advance the interests of the Company and its stockholders by providing a means of attracting and retaining key employees for the Company and its subsidiary corporations. The Plan does so by awarding stock options and shares of common stock to these key employees. The following discussion describes these awards in more detail and also explains other important aspects of the Plan. This discussion is intended to be a summary of the material provisions of the Plan. Because it is a summary, some details that may be important to you are not included. For this reason, the entire Plan is attached as Exhibit A to this proxy statement. The Company encourages you to read the Plan in its entirety.

The following individuals ("Eligible Participants") are eligible to receive awards under the Plan: officers and other key employees of the Company or one or more of its subsidiaries who have responsibilities affecting the management, development, or financial success of the Company or one or more of its subsidiaries. The Committee is responsible for determining which officers and employees of the Company satisfy these criteria, making them eligible to receive awards under the Plan. As of the date of this proxy statement, the approximate number of individuals who qualify as an Eligible Participant is 200.

The types of awards that may be received under the Plan fall within two categories: stock options and shares of stock. Specifically, the Plan provides for the following type of awards:

- * Incentive Stock Options
- * Nonqualified Options
- * Shares of the Company's Class A Common Stock ("Restricted Shares")
- * Shares of the Company's Common Stock ("Performance Shares").

The awards listed above may be granted alone or in combination with each other. Each award must be authorized by the Committee and evidenced by a written agreement. Among other things, the agreement must describe the award and state that the award is subject to all the terms and provisions of the Plan and any other terms and provisions, not inconsistent with the Plan, as the Committee may approve. The date on which the Committee approves the granting of an Award is the date on which the award is granted for all purposes, unless the Committee otherwise specifies in its approval. The granting of an award under the Plan, however, is effective only if and when a written agreement is duly executed and delivered by or on behalf of the Company and the Eligible Participant.

Awards of Stock Options

The Plan allows the Committee to award two types of stock options to Eligible Participants: Incentive Stock Options and Nonqualified Options (together, "Stock Options"). The difference between the two relates to their tax treatment under the Internal Revenue Code of 1986 (the "Code"). Incentive Stock Options qualify for special tax treatment under Section 422 of the Code; Non-qualified Options do not qualify for such special tax treatment.

The following is a summary of the material terms and provisions of the Plan governing Stock Options:

Exercise Price. The exercise price per Share issuable upon exercise of a Stock Option may not be less than the fair market value per Share - as "fair market value" is defined in the Plan - on the date the Stock Option is granted. However, if the Eligible Participant at the time an Incentive Stock Option is granted owns stock with more than 10% of the total combined voting power of all classes of stock of the Company or of any subsidiary, then the exercise price per Share must be at least 110% of the fair market value of the Shares subject to the Incentive Stock Option on the date of grant.

Vesting and Exercise. The Committee has authority to determine when and under what conditions the Shares underlying a Stock Option will vest. Stock Options are exercisable only with respect to Shares that have become vested. The Committee also has authority to accelerate the time at which a Stock Option will be exercisable if it determines that accelerating the time is appropriate as a result of changes in the law or other circumstances.

Term. Stock Options are not exercisable after the expiration of 10 years from the date on which the Stock Option was granted. With respect to Incentive Stock Options, if the Eligible Participant at the time the Incentive Stock Option is granted owns stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or any subsidiary, then the Incentive Stock Option will not be exercisable after the expiration of five years from the date on which the Incentive Stock Option was granted.

Restrictions on Shares Subject to Stock Options. The Committee has authority to make Shares issued upon the exercise of a Stock Option subject to restrictions or conditions, including those related to disposition and transferability of the Shares.

Transferability. In general, Stock Options are not transferable and are exercisable during an Eligible Participant's lifetime only by the Participant or his or her legal representative. There are, however, exceptions to this general rule. Incentive Stock Options may be transferred upon an Eligible Participant's death by will or the laws of descent and distribution. Nonqualified Options may be transferred by will or the laws of descent and distribution. The Committee may also provide for the irrevocable transfer of any Nonqualified Option to an Eligible Participant's parents, spouse, domestic or life partner, children, grandchildren, nieces, nephews or to the trustee of a trust for the principal benefit of one or more such persons or to a partnership whose only partners are one or more such persons. In regard to all of the foregoing transfers, the Stock Option will be exercisable only by the transferee or his or her legal representative.

Termination of Stock Options. The Plan provides for the termination of a Stock Option under some circumstances following an Eligible Participant's termination of employment. Whether a Stock Option will terminate or continue to be exercisable depends upon the reason for the Eligible Participant's termination of employment. The possibilities under the Plan are summarized below.

Death or Disability. If an Eligible Participant's employment with the Company terminates as a result of his or her death or disability, then, unless otherwise determined by the Committee within 60 days of the death or disability, to the extent a Stock Option held by the Eligible Participant is not vested as of the date of death or disability, the Stock Option will automatically terminate. To the extent the Stock Option is vested as of the date of death or disability, the Stock Option may be exercised by the Eligible Participant, the legal representative of his or her estate, his or her legatee under his or her will, or the distributee of his or her estate for a period of one year (or, with respect to Nonqualified Options, the period specified by the Committee) from the date of death or disability or until the expiration of the stated term of the Stock Option, whichever period is shorter.

Retirement. If an Eligible Participant's employment with the Company terminates as a result of his or her retirement, then to the extent a Stock Option held by the Eligible Participant is not vested it will be forfeited unless the Stock Option agreement provides otherwise. Each vested Stock Option may be exercised by the Eligible Participant according to its terms, including, without limitation, for whatever period after the termination of employment as is set forth in the Stock Option agreement.

For Cause. If an Eligible Participant's employment with the Company or its subsidiaries is terminated for cause, all unexercised Stock Options held by the Eligible Participant will immediately lapse. The Committee is responsible for determining whether termination of an Eligible Participant's employment is for "cause".

Other Reasons. If an Eligible Participant's employment with the Company and its subsidiaries terminates for any reason other than death, disability, or retirement, then to the extent any Stock Option held by him or her is not vested as of the date of termination, the Stock Option will automatically terminate. To the extent any Stock Option is vested as of the date of termination, the Stock Option may be exercised for a period of 90 days (or, with respect to Nonqualified Options, the period specified by the Committee) from the date of termination or until the expiration of the stated term of the Stock Option, whichever period is shorter.

Tax Consequences. The tax treatment of a Stock Option depends upon whether it is an Incentive Stock Option or a Nonqualified Option. The differences are summarized below.

Incentive Stock Options. In general, for federal income tax purposes under present law:

(a) Neither the grant nor the exercise of an Incentive Stock Option, by itself, will result in income to the optionee; however, the excess of the fair market value of the Company's shares at the time of exercise over the exercise price is (unless there is a disposition of shares acquired upon exercise of an Incentive Stock Option in the taxable year of exercise) includable in alternative minimum taxable income which may, under certain circumstances, result in an alternative minimum tax liability to the optionee.

(b) If shares acquired upon exercise of an Incentive Stock Option are disposed of in a taxable transaction after the later of two years from the date on which the Incentive Stock Option is granted or one year from the date on which such shares are transferred to the optionee, long-term capital gain or loss will be realized by the optionee in an amount equal to the difference between the amount realized by the optionee and the optionee's basis which, except as provided in (e) below, is the exercise price.

(c) Except as provided in (e) below, if the shares acquired upon the exercise of an Incentive Stock Option are disposed of within the two-year period from the date of grant or the one-year period after the transfer of the shares to the optionee upon exercise of the Incentive Stock Option (a "disqualifying disposition"):

(i) Ordinary income will be realized by the optionee at the time of the disqualifying disposition in the amount of the excess, if any, of the fair market value of the shares at the time of such exercise over the exercise price, but not in an amount exceeding the excess, if any, of the amount realized by the optionee over the exercise price.

(ii) Short-term or long-term capital gain will be realized by the optionee at the time of the disqualifying disposition in an amount equal to the excess, if any, of the amount realized over the fair market value of the shares at the time of such exercise.

(iii) Short-term or long-term capital loss will be realized by the optionee at the time of the disqualifying disposition in an amount equal to the excess, if any, of the exercise price over the amount realized.

(d) No deduction will be allowed to the employer corporation with respect to Incentive Stock Options granted or shares transferred upon exercise thereof, except that if a disposition is made by the optionee within the two-year period referred to above, the employer corporation will be entitled to a deduction in the taxable year in which the disposition occurred in an amount equal to the amount of ordinary income realized by the optionee making the disposition.

(e) With respect to the exercise of an Incentive Stock Option and the payment of the option price by the delivery of shares to the extent that the number of shares received does not exceed the number of shares surrendered, no taxable income will be realized by the optionee at that time, the tax basis of the shares received will be the same as the tax basis of the shares surrendered, and the holding period (except for purposes of the one-year period referred to in (c) above) of the optionee in the shares received will include his or her holding period in the shares surrendered. To the extent that the number of shares received exceeds the number of shares surrendered, no taxable income will be realized by the optionee at that time, such excess shares will be considered Incentive Stock Option stock with a zero basis, and the holding period of the optionee in such shares will begin on the date such shares are transferred to the optionee. If the shares surrendered were acquired as the result of the exercise of an Incentive Stock Option and the surrender takes place within two years from the date the option relating to the surrendered shares was granted or within one year from the date of such exercise, the surrender will result in a disqualifying disposition and the optionee will realize ordinary income at the time of exercise of the shares surrendered over the basis of such shares. If any of the shares received are disposed of within one year after the shares are transferred to the optionee, the optionee will be treated as first disposing of the shares with a zero basis.

Nonqualified Options. In general, for federal income tax purposes under present law:

(a) The grant of a Nonqualified Option, by itself, will not result in income to the optionee.

(b) Except as provided in (e) below, the exercise of a Nonqualified Option (in whole or in part, according to its terms) will result in ordinary income to the optionee at that time in an amount equal to the excess (if any) of the fair market value of the Company's shares on the date of exercise over the exercise price.

(c) Except as provided in (e) below, the optionee's tax basis of shares acquired upon the exercise of a Nonqualified Option, which will be used to determine the amount of any capital gain or loss on a future taxable disposition of such shares, will be the fair market value of the shares on the date of exercise.

(d) No deduction will be allowable to the employer corporation upon the grant of a Nonqualified Option, but upon the exercise of a Nonqualified Option, a deduction will be allowable to the employer corporation at that time in an amount equal to the amount of ordinary income realized by the optionee exercising such Nonqualified Option if the employer corporation deducts and withholds appropriate federal withholding tax.

(e) With respect to the exercise of a Nonqualified Option and the payment of the exercise price by the delivery of shares, to the extent that the number of shares received does not exceed the number of shares surrendered, no taxable income will be realized by the optionee at that time, the tax basis of shares received will be the same as the tax basis of shares surrendered, and the holding period of the optionee in shares received will include his or her holding period in shares surrendered. To the extent that the number of shares received exceeds the number of shares surrendered, ordinary income will be realized by the optionee at that time in the amount of the fair market value of such excess shares, the tax basis of such shares will be equal to the fair market value of such shares at the time of exercise, and the holding period of the optionee in such shares will begin on the date such shares are transferred to the optionee.

Awards of Restricted Shares

The Plan allows the Committee to award Restricted Shares to Eligible Participants. As noted, "Restricted Shares" are shares of the Company's Class A Common Stock. The following is a summary of the material terms and provisions of the Plan governing awards of Restricted Shares.

Price. The Committee is responsible for determining the purchase price for Restricted Shares. The purchase price may be zero.

Acceptance of Restricted Shares. At the time of an award of Restricted Shares, the Committee may determine that the Restricted Shares will, after vesting, be further restricted as to transferability or be subject to repurchase by the Company or forfeiture upon the occurrence of certain events. Awards of Restricted Shares must be accepted by the Eligible Participant within 30 days (or the period specified by the Committee) after the grant date by executing a Restricted Share Agreement. Eligible Participants will not have any rights with respect to the grant of Restricted Shares until they have executed a Restricted Share Agreement, delivered a fully executed copy of it to the Company, and otherwise complied with the applicable terms and conditions of the award.

Share Restrictions. During whatever period has been established by the Committee (the "Restriction Period"), Eligible Participants will not be permitted to sell, transfer, pledge, assign, or otherwise encumber the Restricted Shares. The Committee has the authority, however, to accelerate the time at which any or all of the restrictions shall lapse with respect to any Restricted Shares. Unless otherwise determined by the Committee, if an Eligible Participant's employment terminates during the Restriction Period, all Restricted Shares held by the Eligible Participant and still subject to restriction will be forfeited. Upon the expiration of the Restriction Period, and assuming no forfeiture, unrestricted Shares will be issued and delivered to the Eligible Participant.

Stock Issuances and Restrictive Legends. Restricted Shares may be issued in the form of a certificate, by book entry, or otherwise, as determined by the Committee, and will bear an appropriate restrictive legend. The Committee may, however, require that Restricted Shares be issued to and held by the Company or a trustee of a trust set up by the Committee to hold the Restricted Shares until the restrictions on them have lapsed. The Committee may also require the Eligible Participant to deliver to the Company or such trustee, as appropriate, a stock power, endorsed in blank, relating to the Restricted Shares covered by the Award.

Termination of Employment. If an Eligible Participant's employment by the Company and its subsidiaries terminates before the end of any Restriction Period with the consent of the Committee, or upon the Eligible Participant's death, retirement, or disability, the Committee may authorize the issuance of all or a portion of the Restricted Shares which would have been issued to the Eligible Participant had his or her employment continued to the end of the Restriction Period. If an Eligible Participant's employment by the Company and its subsidiaries terminates before the end of any Restriction Period for any other reason, all Restricted Shares shall be forfeited.

Awards of Performance Shares

The Plan allows the Committee to award Performance Shares to Eligible Participants. As noted, "Performance Shares" are shares of the Company's Common Stock. Many of the provisions of the Plan that govern Performance Shares are the same in all material respects as those that govern Restricted Shares. For example, the provisions that govern the purchase price of Performance Shares, the acceptance of awards of Performance Shares, the restrictions on the transfer or sale of Performance Shares, the issuance of Performance Shares, and the effect of an Eligible Participant's termination of employment are the same in all material respects as those that govern Restricted Shares. The provisions of the Plan are different, however, with respect to the award of Performance Shares.

Awards of Performance Shares are based upon the achievement of performance goals during a specified performance period. The Committee establishes the performance period for each award of Performance Shares at the time of the award. At the time of each award, the Committee also establishes a range of performance goals to be achieved during the performance period. The performance goals are determined by the Committee using whatever measures of performance are appropriate in the opinion of the Committee. Such measures may include, for example, earnings or return on capital. Performance Shares will be earned as determined by the Committee with respect to the attainment of the performance goals set for the performance period. Attainment of the highest performance goal will earn 100% of the Performance Shares awarded for the performance period; failure to attain the lowest performance goal for the performance period will earn none of the Performance Shares. The Committee is responsible for determining whether a performance goal has been attained.

Administration of the Plan

The Committee is responsible for administering the Plan. The Committee is composed of independent directors, meaning directors who are not officers or employees of the Company. Among other things, the Committee is responsible for the following:

- * selecting Eligible Participants to receive awards under the Plan
- * granting awards of Incentive Stock Options, Nonqualified Options, Restricted Shares, and Performance Shares
- * determining the number and type of awards to be granted
- * determining the terms and conditions of awards
- * interpreting the terms and provisions of the Plan, awards granted under the Plan, and agreements relating to such awards

The Committee has sole discretion with respect to the administration of the Plan, and its decisions are final and binding on all persons.

Number of Shares Subject to the Plan

The maximum number of Shares that may be issued each year under the Plan is determined by a formula that takes into consideration the total number of Shares outstanding. The Plan also contains anti-dilution provisions to account for potential changes in the Company's capital structure. The maximum number of Shares that may be issued each year is equal to (a) 5.0% of the total outstanding Shares as of the last day of the Company's immediately preceding fiscal year plus (b) the number of Shares available for grant under the Plan as of June 1, 2001, plus (c) any Shares related to awards that, in whole or in part, expire or are unexercised, forfeited, terminated, surrendered, canceled, settled in such a manner that all or some of the Shares covered by an award are not issued to an Eligible Participant or returned to the Company in payment of the exercise price or tax withholding obligations in connection with outstanding awards, plus (d) any unused portion of Shares available under section (a) above for the immediately preceding two fiscal years (but not prior to the Company's fiscal year ending October 31, 2001) as a result of not being made subject to a grant or award in such preceding two fiscal years. Notwithstanding the foregoing, for the Company's fiscal year ending October 31, 2001, the number of total outstanding Shares in section (a) above shall be calculated as of January 1, 2001, rather than as of October 31, 2000.

The maximum number of Shares that may be issued each year under the Plan is also subject to certain limits. Specifically, in no event will more than 20% of all available Shares be granted in the form of Awards other than Incentive Stock Options and Nonqualified Options. In addition, the maximum number of Incentive Stock Options that will be issued under the Plan during its term is 2,500,000 Shares. The maximum number of Shares with respect to which Incentive Stock Options, Nonqualified Options, Restricted Shares, and Performance Shares may be granted to any single Eligible Participant under the Plan during any single fiscal year of the Company is 100,000.

Change in Control

If a change in control or potential change in control of the Company occurs (as each is defined in the Plan), the following will occur with respect to awards under the Plan:

- * Stock Options that have not vested will vest and become exercisable immediately; and
- * all restrictions on Restricted Shares and Performance Shares will lapse.

The Company may also terminate any or all unexercised Stock Options not more than 30 days after a change in control or potential change in control so long as the Company pays the Eligible Participant cash in an amount equal to the difference between the fair market value of the Shares subject to the Stock Option and the exercise price of the Stock Option. If the fair market value is less than the exercise price, then the Committee may terminate the Stock Option without any payment.

The Board of Directors unanimously recommends a vote "For" approval of the 2001 Management Equity Incentive and Compensation Plan.

Board of Directors Committees and Meetings

The Board held six meetings during the 2000 fiscal year. Each director attended at least 75% of the meetings held by the Board and committees on which he or she served during the 2000 fiscal year.

The Board has established an Executive Committee, a Compensation Committee, an Audit Committee, a Stock Option Committee, a Stock Repurchase Committee and a Nominating Committee.

The Executive Committee, whose current members are Messrs. Gasser, Chandler, Dempsey, Gunsett and Sparks, has the same authority, subject to certain limitations, as the Board during intervals between meetings of the Board. The Executive Committee held five meetings during the 2000 fiscal year.

The Compensation Committee, whose current members are Mrs. Dempsey and Messrs. Gunsett, Kane and Olderman, is responsible for evaluating the compensation, fringe benefits and perquisites provided to the Company's officers and adopting compensation policies applicable to the Company's executive officers, including the specific relationship, if any, of corporate performance to executive compensation and the factors and criteria upon which the compensation of the Company's Chief Executive Officer should be based. The Compensation Committee held three meetings during the 2000 fiscal year.

The Audit Committee, whose current members are Messrs. Dempsey, Gunsett, Kane and Olderman, is responsible for recommending the appointment of the Company's auditors to the Board, reviewing with such auditors the scope and results of their audit, reviewing the Company's accounting functions, operations and management, and considering the adequacy and effectiveness of the internal accounting controls and internal auditing methods and procedures of the Company. The Audit Committee held five meetings during the 2000 fiscal year.

The Stock Option Committee, whose current members are Mrs. Dempsey and Messrs. Gunsett, Kane and Olderman, is responsible for administering the Company's Incentive Stock Option Plan which provides for the granting of options for shares of the Company's Class A Common Stock to key employees. The Stock Option Committee held one meeting during the 2000 fiscal year.

The Stock Repurchase Committee, whose current members are Messrs. Gasser and Gunsett, is responsible for administering the Company's Stock Repurchase Program. The Stock Repurchase Committee held five meetings during the 2000 fiscal year.

The Nominating Committee, whose current members are Mrs. Dempsey and Messrs. Gasser and Gunsett, is responsible for nominating members to the Board and committees. The Nominating Committee held one meeting to consider and nominate the nine persons described in this Proxy Statement.

The Nominating Committee will consider for nomination as directors of the Company persons recommended by the stockholders of the Company. In order to recommend a person for the 2002 Annual Meeting, a stockholder must deliver a written recommendation to the Secretary of the Company on or prior to 120 days in advance of the first anniversary of the date of this Proxy Statement (the "Notice Date"). In order to be considered by the Nominating Committee, the written recommendation must contain the following information: (a) the name and address, as they appear on the Company's books, of the stockholder making the recommendation; (b) the class and number of shares of capital stock of the Company beneficially owned by such stockholder; (c) the name and address of the person recommended as a nominee and a brief description of the background, experience and qualifications of such person which will assist the Nominating Committee in evaluating such person as a potential director of the Company; and (d) any material interest of such stockholder or such nominee in the business to be presented at the 2002 Annual Meeting. After the Notice Date, the Nominating Committee will meet and consider all persons recommended by stockholders as nominees for directors. Within 30 days after the Notice Date, the Secretary of the Company will notify in writing the stockholder recommending the nominee whether or not the Nominating Committee intends to nominate for election as a director at the 2002 Annual Meeting the person he or she recommended.

Security Ownership of Certain
Beneficial Owners and Management

The following table sets forth certain information, as of January 3, 2001, with respect to the only persons known by the Company to be the beneficial owners of 5% or more of the Class B Common Stock, the Company's only class of voting securities:

Name and Address	Class of Stock	Type of Ownership	Number of Shares	Percent of Class
Naomi C. Dempsey 782 W. Orange Road Delaware, Ohio	Class B	See (1) below	5,905,904	49.85%
Michael H. Dempsey 2240 Encinitas Boulevard Suite D-403 Encinitas, California	Class B	See (2) below	2,010,592	16.97%
Robert C. Macauley 161 Cherry Street New Canaan, Connecticut	Class B	Record and Beneficially	1,150,000	9.71%

(1) Held by Naomi C. Dempsey as trustee of the Naomi C. Dempsey Living Trust (5,425,904 shares) and the John C. Dempsey Trust (480,000 shares).

(2) Held by Michael H. Dempsey (129,052 shares), Michael H. Dempsey as trustee of the Naomi A. Coyle Trust (1,663,040 shares), Michael H. Dempsey as trustee of the Naomi C. Dempsey Charitable Lead Annuity Trust (133,815 shares) and Michael H. Dempsey as President of All Life Foundation (84,685 shares).

The following table sets forth certain information, as of January 3, 2001, with respect to the Class A Common Stock and Class B Common Stock (the only equity securities of the Company) beneficially owned, directly or indirectly, by each director and each executive officer named in the summary compensation table:

Name	Title and Percent of Class (1)	
	Class A	%
Charles R. Chandler	65,400	*
Michael H. Dempsey	10,000	*
Naomi C. Dempsey	23,240 (2)	*
Michael J. Gasser	105,000	*
Daniel J. Gunsett	10,000	*
John C. Kane	7,000	*
John S. Lilak	-0-	*
Robert C. Macauley	-0-	*
David J. Olderman	17,000	*
Joseph W. Reed	21,000	*
William B. Sparks, Jr.	66,086	*

Name	Title and Percent of Class (1)	
	Class B	%
Charles R. Chandler	4,000	*
Michael H. Dempsey	2,010,592 (3)	16.97%
Naomi C. Dempsey	5,905,904 (4)	49.85%
Michael J. Gasser	11,798	*
Daniel J. Gunsett	1,000	*
John C. Kane	-0-	*
John S. Lilak	-0-	*
Robert C. Macauley	1,150,000	9.71%
David J. Olderman	36,674	*
Joseph W. Reed	-0-	*
William B. Sparks, Jr.	6,248	*

* Less than one percent.

- (1) Except as otherwise indicated below, the persons named in the table (and their spouses, if applicable) have sole voting and investment power with respect to all shares of Class A Common Stock or Class B Common Stock owned by them. This table includes shares for Class A Common Stock subject to currently exercisable options, or options exercisable within 60 days of January 3, 2001, granted by the Company under the 1995 Incentive Stock Option Plan and the 1996 Directors' Stock Option Plan, for the following directors and named executive officers: Mr. Chandler - 65,000; Mr. Dempsey - 10,000; Mrs. Dempsey - 10,000; Mr. Gasser - 105,000; Mr. Gunsett - 10,000; Mr. Kane - 2,000; Mr. Olderman - 10,000; Mr. Reed - 21,000 and Mr. Sparks, Jr. - 65,000.
- (2) Held by Naomi C. Dempsey as trustee of the John C. Dempsey Trust (13,240 shares) plus the exercisable options discussed in (1) above.
- (3) Held by Michael H. Dempsey (129,052 shares), Michael H. Dempsey as trustee of the Naomi A. Coyle Trust (1,663,040 shares), Michael H. Dempsey as trustee of the Naomi C. Dempsey Charitable Lead Annuity Trust (133,815 shares) and Michael H. Dempsey as President of All Life Foundation (84,685 shares).
- (4) Held by Naomi C. Dempsey as trustee of the Naomi C. Dempsey Living Trust (5,425,904 shares), and the John C. Dempsey Trust (480,000 shares).

The Class A Common Stock has no voting power, except when four quarterly cumulative dividends upon the Class A Common Stock are in arrears.

The following sets forth the equity securities owned or controlled by all directors and executive officers as a group (18 persons) as of January 3, 2001:

Title of class of stock	Amount beneficially owned	Percent of class
Class A Common Stock (1)	342,976	3.26%
Class B Common Stock	9,127,066	77.04%

- (1) Shares represent the number of shares beneficially owned, directly or indirectly, by each director and executive officer as of January 3, 2001. The number includes shares subject to currently exercisable options or options exercisable within 60 days of January 3, 2001, granted by the Company under the 1995 Incentive Stock Option Plan and the 1996 Directors' Stock Option Plan, for the directors and executive officers as a group - 316,100.

Executive Compensation

The following table sets forth the compensation for the three years ended October 31, 2000 for the Company's Chief Executive Officer and the Company's four other most highly compensated executive officers:

Name & Position	Year	Annual Compensation			All Other	Long-term Compensation Number of Stock Options Granted
		Salary	Bonus	Deferred Compensation		
Michael J. Gasser Chairman	2000	\$510,090	\$298,403		\$ 3,000	28,000
Chief Executive Officer	1999	\$486,667	\$171,378		\$ 4,513	25,000
	1998	\$463,338	\$182,595		\$ 3,440	25,000
Charles R. Chandler Vice Chairman and President of Soterra LLC (subsidiary company)	2000	\$492,609	\$221,675	\$312,121	\$ 6,544	16,000
	1999	\$470,174	\$165,623	\$325,757	\$14,034	16,000
	1998	\$452,018	\$176,769	\$300,458	\$54,903	15,000
John S. Lilak * Executive Vice President, Containerboard & Corrugated Products	2000	\$246,045	\$110,720		\$162,576	12,500
	1999	\$ 78,333	\$ 59,792		\$ 2,009	10,000
Joseph W. Reed Vice President	2000	\$247,054	\$111,175		\$ 1,980	10,000
	1999	\$235,802	\$ 83,063		\$ 2,415	5,000
	1998	\$226,827	\$ 88,653		\$ 940	11,000
William B. Sparks, Jr. - Director President and Chief Operating Officer	2000	\$379,132	\$187,671		\$ 4,134	17,000
	1999	\$361,834	\$127,470		\$ 6,300	16,000
	1998	\$345,004	\$135,977		\$ 2,690	15,000

* Mr. Lilak was hired as Executive Vice President, Containerboard & Corrugated Products, in September 1999. Prior to that time, he was not an employee of the Company.

Mr. Michael J. Gasser, Chairman and Chief Executive Officer, on November 1, 1995, entered into an employment agreement with Greif Bros. Corporation principally providing for (a) the employment of Mr. Gasser as Chairman and Chief Executive Officer for a term of 15 years; (b) the right of Mr. Gasser to extend his employment on a year-to-year basis until he reaches the age of 65; (c) the agreement of Mr. Gasser to devote all of his time, attention, skill and effort to the performance of his duties as an officer and employee of Greif Bros. Corporation; and (d) the fixing of the minimum basic salary during such period of employment to the current year's salary plus any additional raises authorized by the Board of Directors within two fiscal years following October 31, 1995. The minimum basic salary is currently fixed at \$470,000 per year.

Mr. Charles R. Chandler, Vice Chairman and President of Soterra LLC (subsidiary company), on August 1, 1986, and amended in 1988, 1992 and 1996, entered into an employment agreement, principally providing for: (a) the employment of Mr. Chandler as Vice Chairman until 2000; (b) the agreement of Mr. Chandler to devote all of his time, attention, skill and effort to the performance of his duties as an officer and employee of Greif Bros. Corporation; and (c) the fixing of minimum basic salary during such period of employment at \$424,356 per year. The employment contract with Mr. Chandler gives him the right to extend his employment beyond the original term up to five additional years.

Mr. Joseph W. Reed, Vice President, on August 18, 1997, entered into an employment agreement with Greif Bros. Corporation, principally providing for: (a) the employment of Mr. Reed as Chief Financial Officer and Secretary for a term of three years; (b) the agreement of Mr. Reed to devote all of his time, attention, skill and effort to the performance of his duties as an officer and employee of Greif Bros. Corporation; and (c) the fixing of the minimum basic salary during such period of employment at \$220,000 per year.

Mr. William B. Sparks, Jr., President and Chief Operating Officer, on November 1, 1995 entered into an employment agreement with Greif Bros. Corporation, principally providing for: (a) the employment of Mr. Sparks as President and Chief Operating Officer for a term of 11 years; (b) the agreement of Mr. Sparks to devote all of his time, attention, skill and effort to the performance of his duties as an officer and employee of Greif Bros. Corporation; and (c) the fixing of the minimum basic salary during such period of employment to the current year's salary plus any additional raises authorized by the Board of Directors within two fiscal years following October 31, 1995. The minimum basic salary is currently fixed at \$350,000 per year.

No Directors' fees are paid to Directors who are full-time employees of the Company or its subsidiary companies. Directors who are not employees of the Company receive \$24,000 per year, plus \$1,500 for each Board meeting and \$1,000 for each committee meeting that they attend. Committee chairs also receive an additional \$4,000 per year. Directors may defer all or a portion of their fees pursuant to a deferred compensation plan.

During 1996, a Directors' Stock Option Plan was adopted which provides for the granting of stock options to directors who are not employees of the Company. The aggregate number of shares of the Company's Class A Common Stock for which options may be granted shall not exceed 100,000. Beginning in 1997, each outside director was granted an annual option to purchase 2,000 shares immediately following each Annual Meeting of Stockholders. Each eligible director also received a one-time grant in 1996 to purchase 2,000 shares. Under the terms of the Directors' Stock Option Plan, options are granted at exercise prices equal to the market value on the date the options are granted and become exercisable immediately. In 2000, 10,000 options were granted to outside directors with option prices of \$29.88 per share. Options expire ten years after the date of grant.

The Compensation Committee of the Board of Directors voted in favor of bonuses for employees in 2000, based upon the progress of the Company, the contributions of the particular employees to that progress, and individual merit.

Supplementing the pension benefits, there is a deferred compensation contract with Charles R. Chandler. This contract is designed to supplement the Greif Bros. Riverville Mill's defined benefit pension plan only if the executive retires under such pension plan at or after age 65. No benefit is paid to the executive under this contract if death precedes retirement. The deferred compensation is payable to the executive or his spouse for a total period of 15 years.

Under the above Deferred Compensation Contract, the annual amounts payable to the executive or his surviving spouse are diminished by the amounts receivable under the defined benefit pension plan of Greif Bros. Riverville Mill. Mr. Chandler's estimated accrued benefit from the Deferred Compensation Contract is \$316,722 per year for 10 years and \$211,254 per year for an additional five years.

With respect to Mr. Gasser, the dollar amount in the all other category relates to the Company match for the 401(k) plan and premiums paid for life insurance.

With respect to Mr. Chandler, the dollar amount in the all other category relates to the Company match for the 401(k) plan and premiums paid for life insurance.

With respect to Mr. Lilak, the dollar amount in the all other category relates to the reimbursement for moving, relocation and spousal expenses, Company match for the 401(k) plan and premiums paid for life insurance.

With respect to Mr. Macauley, the dollar amount in the all other category relates to the Company match for the 401(k) plan.

With respect to Mr. Reed, the dollar amount in the all other category relates to premiums paid for life insurance.

With respect to Mr. Sparks, the dollar amount in the all other category relates to the Company match for the 401(k) plan and premiums paid for life insurance.

During 1995, the Company adopted an Incentive Stock Option Plan, which provides for the granting of incentive stock options to key employees and non-statutory options for non-employees. The aggregate number of shares of the Company's Class A Common Stock for which options may be granted shall not exceed 1,000,000 shares. Under the terms of the Incentive Stock Option Plan, options are granted at exercise prices equal to the market value on the date the options are granted and become exercisable after two years from the date of grant. Options expire ten years after date of grant.

The following table sets forth certain information with respect to options to purchase Class A Common Stock granted during the fiscal year ended October 31, 2000, to each of the named executive officers:

Name	OPTION GRANTS TABLE				Potential Net Realizable Value at Assumed Annual Rates of Stock Price Appreciation for Option Term	
	Individual Grants	Percent of Total Options	Exercise Price Per Share	Date Expires	5%(2)	10%(2)
	Number of Options Granted(1)	Granted to Employees in Fiscal Year				
M.J. Gasser	28,000	9%	\$29.19	9/6/10	\$514,008	\$1,302,598
C.R. Chandler	16,000	5%	\$29.19	9/6/10	\$293,719	\$ 744,341
J.S. Lilak	12,500	4%	\$29.19	9/6/10	\$229,468	\$ 581,517
J.W. Reed	10,000	3%	\$29.19	9/6/10	\$183,574	\$ 465,213
W.B. Sparks, Jr.	17,000	6%	\$29.19	9/6/10	\$312,076	\$ 790,863

(1) The options are exercisable on September 6, 2002.

(2) The values shown are based on the indicated assumed rates of appreciation compounded annually. Actual gains realized, if any, are based on the performance of the Class A Common Stock. There is no assurance that the values shown will be achieved.

The following table sets forth certain information with the respect to the exercise of options to purchase Class A Common Stock during the fiscal year ended October 31, 2000, and the unexercised options held and the value thereof at that date, by each of the named executive officers:

AGGREGATE OPTION EXERCISES AND FISCAL
YEAR-END OPTION VALUES TABLE

	Shares Acquired on Exercise	Value Realized Upon Exercise	Number of Unexercised Options Held at Year-End		Value of In-The- Money Options Held at Year-End	
			Exer- cisable	Unexer- cisable	Exer- cisable	Unexer- cisable
M.J. Gasser	-0-	\$-0-	105,000	53,000	\$289,925	\$272,486
C.R. Chandler	-0-	\$-0-	65,000	32,000	\$150,475	\$168,992
J.S. Lilak	-0-	\$-0-	-0-	22,500	\$ -0-	\$112,650
J.W. Reed	-0-	\$-0-	21,000	15,000	\$ 22,750	\$ 66,870
W.B. Sparks, Jr.	-0-	\$-0-	65,000	33,000	\$184,825	\$171,804

The following table illustrates the amount of annual pension benefits for eligible employees upon retirement on the specified remuneration and years of service classifications under the Company's defined benefit pension plan:

DEFINED BENEFIT PENSION PLAN TABLE

Annual Benefit for Years of Service

Remuneration	15	20	25	30
\$150,000	\$26,250	\$35,000	\$43,750	\$52,500
\$300,000	\$28,000	\$37,333	\$46,667	\$56,000
\$450,000	\$28,000	\$37,333	\$46,667	\$56,000
\$600,000	\$28,000	\$37,333	\$46,667	\$56,000
\$750,000	\$28,000	\$37,333	\$46,667	\$56,000
\$900,000	\$28,000	\$37,333	\$46,667	\$56,000

The following table sets forth certain information with respect to the benefits under the defined benefit pension plans of the Company and Greif Bros. Riverville Mill for each of the named executive officers:

Name of individual or number of persons in group	Credited Years of Service	Remuneration used for calculation of annual benefit	Estimated annual benefit under retirement plan	Estimated annual benefit under supplemental retirement benefit agreement
M.J. Gasser	21	\$671,970	\$39,200	\$125,433
C.R. Chandler *	28	\$219,224	\$61,383	\$ -0-
J.S. Lilak	1	\$371,177	\$ 1,867	\$ 2,463
J.W. Reed	3	\$330,658	\$ 5,600	\$ -0-
W.B. Sparks, Jr.	6	\$491,464	\$11,200	\$ 23,202

* Defined benefit pension plan of Greif Bros. Riverville Mill.

The Company's pension plan is a defined benefit pension plan with benefits based upon the average of the three consecutive highest-paying years of salary and bonus and upon years of credited service up to 30 years. Supplementing the pension benefits of the Company pension plan, a supplemental retirement benefit agreement has been entered into with a select group of management and highly compensated employees to replace any benefits that the executive would otherwise receive if not for limitations imposed by the Internal Revenue Code of 1986.

The annual retirement benefits under the defined benefit pension plan of Greif Bros. Riverville Mill are calculated at 1% per year based upon the average of the five highest out of the last ten years of salary compensation.

None of the pension benefits described in this item are subject to offset because of the receipt of Social Security benefits or otherwise.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 requires the Company's officers and directors, and persons owning more than 10% of a registered class of the Company's equity securities, to file reports of ownership with the Securities and Exchange Commission. Officers, directors and greater than 10% Stockholders are required by the Securities and Exchange Commission's regulations to furnish the Company with copies of all Section 16(a) forms they file. Based solely on a review of the copies of such forms furnished to the Company, the Company believes that during 2000 all Section 16(a) filing requirements applicable to its officers, directors and greater than 10% Stockholders were complied with by such persons.

Compensation Committee Interlocks and Insider Participation

John C. Kane, David J. Olderman, Michael H. Dempsey and Daniel J. Gunsett served as members of the Company's Compensation Committee for the 2000 fiscal year. During fiscal year 2000, the Company retained the law firm of Baker & Hostetler LLP to perform legal services on its behalf, and it anticipates retaining such firm in 2001. Mr. Gunsett is a partner of Baker & Hostetler LLP.

No executive officer of the Company served during the 2000 fiscal year as a member of a Compensation Committee or as a director of any entity of which any of the Company's directors served as an executive officer.

Compensation Committee Report on Executive Compensation

The following is the report of the Company's Compensation Committee, whose members are identified below, with respect to compensation reported for 2000 as reflected in the Summary Compensation Table set forth above.

Compensation Policy; Committee Responsibilities

The Company's compensation policy is to align compensation with business objectives and performance to enable the Company to attract, retain and reward individuals who contribute to the long-term success of the Company. The Company believes in a consistent policy for all individuals.

The Company realizes that to accomplish its objectives it needs to pay competitive compensation. The Compensation Committee reviews competitive positions in the market to periodically confirm the competitive nature of the compensation for the Chief Executive Officer and the Company's five highest paid individuals.

The Compensation Committee believes that a varying portion of compensation must be linked to the Company's performance. In that regard, the Company has implemented a discretionary bonus plan which links the payment of cash bonuses to the achievement of certain predetermined pretax income thresholds.

The Company believes that an alignment of stockholder value with employees' compensation is of utmost importance. The Company has addressed this concern by implementing an incentive stock option plan which is administered by the members of the Stock Option Committee. As described elsewhere in this Proxy Statement, the Company intends to replace, subject to stockholder approval, the current incentive stock option plan with the 2001 Management Equity Incentive and Compensation Plan. See "Proposal No. 2 - Approval of the 2001 Management Equity Incentive and Compensation Plan."

The Compensation Committee's responsibilities include the following:

- * Review the compensation of the Chief Executive Officer and the Company's five highest paid individuals to ensure that their compensation is consistent with the above policy.
- * Review the operation of the discretionary bonus plan.
- * Review the grant of stock options.
- * Recommend the action to resolve compensation, discretionary bonus and stock option issues to the full Board of Directors.

Compensation of the Chief Executive Officer

In December 2000, the Compensation Committee met to review the 2000 performance of Michael J. Gasser, the Company's Chairman of the Board and Chief Executive Officer. Consistent with the Company's compensation policies, Mr. Gasser's compensation package consists of three components, salary, cash bonus and stock options. The Compensation Committee believes that a portion of Mr. Gasser's compensation package should be at-risk, and that this is accomplished through the grant of incentive stock options and the award of a cash bonus pursuant to the Company's incentive bonus plan. The Compensation Committee also attempts to establish a compensation package that appropriately balances risk and reward. Finally, the Compensation Committee attempts to establish a compensation package that is comprised of both a subjective component, such as the grant of incentive stock options, and an objective component, such as an award under the incentive bonus plan which is based upon the pretax income performance of the Company with threshold levels.

In evaluating the performance of Mr. Gasser with respect to each of the categories of his compensation, the Compensation Committee specifically discussed and recognized the following factors: his leadership, his vision for the future of the Company, his dedication and focus on the short-term and long-term interests of the Company and its shareholders, and his professionalism, integrity and competence; the Company enjoying its most profitable year its history; and his demonstrated dedication and high performance in leadership, guidance and strategic planning for the Company, its Board of Directors and its executives. None of the factors were given specific relative weight.

Based upon its evaluation of the foregoing factors, the Compensation Committee increased Mr. Gasser's base salary to \$580,000 for calendar year 2001 from \$510,090 for calendar year 2000. In addition, the Compensation Committee determined that the Company had met the threshold for incentive bonuses for fiscal year 2000, and that Mr. Gasser qualified for an incentive bonus of 90% of the 100% level bonus of \$331,558 for his position and recommended that he receive a bonus of \$298,402.

In September 2000, incentive stock options were granted to Mr. Gasser and other employees at the then market price for Class A Common Stock. Mr. Gasser was granted options to purchase 28,000 shares of Class A Common Stock, which options were granted primarily as incentive for future performance. The basis for granting stock options to Mr. Gasser and other employees included his continued leadership, vision for the future of the Company, guidance in unification of Company goals and assimilation and reorganization of Company acquisitions.

John C. Kane, Committee Chairman
David J. Olderman
Michael H. Dempsey
Daniel J. Gunsett

The following graph compares the Company's stock performance to that of the Standard and Poor's 500 Index and the Company's industry group (Peer Index). The graph does not purport to represent the value of the Company.

[STOCK PERFORMANCE CHART]

Year	GBC Stock	S&P 500 Index	Peer Index
1995	100	100	100
1996	111	121	106
1997	138	157	117
1998	132	187	96
1999	120	234	129
2000	136	246	93

The Peer Index is comprised of the paper containers index and paper and forest products index as shown in the Standard & Poor's Statistical Services Guide.

Report of the Audit Committee

The Audit Committee oversees the Company's financial reporting process on behalf of the Board of Directors. Management has the primary responsibility for the financial statements and the reporting process, including the systems of internal controls. In fulfilling its oversight responsibilities, the Audit Committee reviewed the audited financial statements in the Annual Report on Form 10-K for the Company's 2000 fiscal year with management, including a discussion of the quality, not just the acceptability, of the accounting principles, the reasonableness of significant judgments, and the clarity of disclosures in the financial statements.

The Audit Committee reviewed with the independent auditors, who are responsible for expressing an opinion on the conformity of those audited financial statements with generally accepted accounting principles, their judgments as to the quality, not just the acceptability, of the Company's accounting principles and such other matters as are required to be discussed with the Audit Committee under generally accepted auditing standards. In addition, the Audit Committee discussed with the independent auditors the auditors' independence from management and the Company, including the matters in the written disclosures required by the Independence Standards Board and considered the compatibility of nonaudit services with the auditors' independence.

The Audit Committee discussed with the Company's internal and independent auditors the overall scope and plans for their respective audits. The Audit Committee meets with the internal and independent auditors, with and without management present, to discuss the results of their examinations, their evaluations of the Company's internal controls, and the overall quality of the Company's financial reporting. The Committee held five meetings during the 2000 fiscal year, and each member of the Audit Committee attended at least 75% of the meetings.

In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Board of Directors (and the Board has approved) that the audited financial statements be included in the Annual Report on Form 10-K for the 2000 fiscal year for filing with the Securities and Exchange Commission. The Committee also recommended to the Board of Directors (and the Board has approved) the selection of the Company's independent auditors for the 2001 fiscal year.

The Company's Board of Directors has adopted a written charter for the Audit Committee. A copy of the Audit Committee Charter is attached to this Proxy Statement as Exhibit B.

All of the members of the Audit Committee are independent directors as defined by the rules and regulations of Nasdaq.

Daniel J. Gunsett, Committee Chairman
 Michael H. Dempsey
 John C. Kane
 David J. Olderman

Certain Relationships and Related Transactions

During fiscal year 2000, the Company retained the law firm of Baker & Hostetler LLP to perform legal services on its behalf. Daniel J. Gunsett, a partner in that firm, is a member of the Audit, Compensation, Executive, Nominating, Stock Option and Stock Repurchase Committees and a director of the Company. The Company anticipates retaining Baker & Hostetler LLP in 2001. The Company believes that this relationship does not violate the NASDAQ independent director and audit committee requirements.

Loans have been made by the Company to certain employees, including certain directors and executive officers of the Company. The following is a summary of these loans for the fiscal year ended October 31, 2000:

Name of Debtor	Balance at Beginning of period	New Loans	Amount Collected	Balance at End of Period
Charles R. Chandler	\$ 322,515	\$ -	\$15,543	\$306,972
Michael J. Gasser	140,090	-	20,117	119,973
Sharon R. Maxwell	94,775	-	2,702	92,073
Philip R. Metzger	105,570	-	10,530	95,040
William B. Sparks, Jr.	365,660	-	19,901	345,759
	\$1,028,610	\$-0-	\$68,793	\$959,817

Charles R. Chandler is Vice Chairman of Greif Bros. Corporation and President of Soterra LLC. The loan is secured by a first mortgage on a house and lot in Ohio and interest is payable at 5% per annum.

Michael J. Gasser is Chairman and Chief Executive Officer of Greif Bros. Corporation. The loan is secured by 5,599 shares of the Company's Class B Common Stock and a first mortgage on a house and lot in Ohio. Interest is payable at 3% per annum.

Sharon R. Maxwell is Assistant Secretary of Greif Bros. Corporation. The loan is secured by a first mortgage on a house and lot in Ohio and interest is payable at 7-1/4% per annum.

Philip R. Metzger is Treasurer of Greif Bros. Corporation. The loan is secured by a first mortgage on a house and lot in Ohio and a portion of the interest is payable at 3% per annum and a portion at 7-1/4% per annum.

William B. Sparks, Jr. is President and Chief Operating Officer of Greif Bros. Corporation. The loan is secured by 6,248 shares of the Company's Class B Common Stock and 1,000 shares of the Company's Class A Common Stock. Interest is payable at 3% per annum. An additional loan is secured by a first mortgage on a house and lot in Ohio with interest payable at 5% per annum.

Independent Public Accountants

Ernst & Young LLP served as the independent public accountants of the Company for the fiscal year ended October 31, 2000. It is currently expected that a representative of Ernst & Young LLP will be present at the Annual Meeting, will have an opportunity to make a statement if such representative so desires, and will be available to respond to appropriate questions from Stockholders. Ernst & Young LLP have been retained as the Company's independent public accountants for its current fiscal year.

On February 1, 1999, the Company informed PricewaterhouseCoopers LLP, the Company's independent public accounting firm prior to its engagement of Ernst & Young LLP, that an audit proposal would not be sought from that firm and that it was being dismissed as the Company's independent public accountants. For the two fiscal years ended October 31, 1998, the report of PricewaterhouseCoopers LLP on the Company's consolidated financial statements did not contain an adverse opinion or a disclaimer of opinion, nor was any such report qualified or modified as to uncertainty, audit scope or accounting principles. The decision to change accountants was approved by the Audit Committee of the Company's Board of Directors. During the Company's two fiscal years ended October 31, 1998 and through February 1, 1999, there were no disagreements between PricewaterhouseCoopers LLP and the Company regarding any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure which, if not resolved to the satisfaction of the former accountant, would have caused it to make reference thereto in its report on the financial statements for such years.

Stockholder Proposals

Proposals of Stockholders intended to be presented at the 2002 Annual Meeting of Stockholders (expected to be held in February 2002) must be received by the Company for inclusion in the Proxy Statement and form of proxy on or prior to 120 days in advance of the first anniversary of the date of this Proxy Statement. If a Stockholder intends to present a proposal at the 2002 Annual Meeting, but does not seek to include such proposal in the Company's Proxy Statement and form of proxy, such proposal must be received by the Company on or prior to 45 days in advance of the first anniversary of the date of this Proxy Statement or the persons named in the form of proxy for the 2002 Annual Meeting will be entitled to use their discretionary voting authority should such proposal then be raised at such meeting, without any discussion of the matter in the Company's Proxy Statement or form of proxy. Furthermore, Stockholders must follow the procedures set forth in Article I, Section 8, of the Company's Amended and Restated By-Laws in order to present proposals at the 2002 Annual Meeting.

Proxies Solicited by Management;
Proxies Revocable; Cost of Solicitation to be
Borne by Company

The proxy enclosed with this Proxy Statement is solicited by and on behalf of the Management of Greif Bros. Corporation. A person giving the proxy has the power to revoke it.

The expense for soliciting proxies for this Annual Meeting of Stockholders is to be paid by the treasurer out of the funds of the Company. Solicitations of proxies also may be made by personal calls upon or telephone or telegraphic communications with Stockholders, or their representatives, by not more than five officers or regular employees of the Company who will receive no compensation for doing so other than their regular salaries.

No Other Matters to be Submitted at the Annual Meeting

The Management knows of no matters to be presented at the Annual Meeting other than the above proposals. However, if any other matters properly come before the Annual Meeting, it is the intention of the persons named in the accompanying form of proxy to vote the proxy in accordance with their judgment on such matters.

January 26, 2001

Kenneth E. Kutcher
Secretary

2001 MANAGEMENT EQUITY INCENTIVE
AND COMPENSATION PLAN

Section 1. Purposes of Plan.

The purpose of this 2001 Management Equity Incentive and Compensation Plan (the "Plan") of Greif Bros. Corporation, a Delaware corporation (the "Company"), is to advance the interests of the Company and its stockholders by providing a means of attracting and retaining key employees for the Company and its subsidiary corporations. In order to serve this purpose, the Plan encourages and enables key employees to participate in the Company's future prosperity and growth by providing them with incentives and compensation based on the Company's performance, development, and financial success. These objectives will be promoted by granting to key employees equity-based awards in the form of: (a) Incentive Stock Options ("ISOs"), which are intended to qualify under Section 422 of the Internal Revenue Code of 1986, as amended (the "Code"); (b) stock options which are not intended to qualify as ISOs ("NQSOs") (ISOs and NQSOs are referred to together hereinafter generally as "Stock Options"); (c) shares of Class A Common Stock, without par value, of the Company ("Shares"), which will be subject to a vesting schedule based on the recipient's continued employment ("Restricted Shares"); and (d) Shares, which will be subject to a vesting schedule based on certain performance objectives ("Performance Shares"). (The Performance Shares, Stock Options and Restricted Shares are referred to generally hereafter as the "Awards"). For purposes of this Plan, "subsidiary" shall mean a subsidiary corporation as defined in Section 424(f) of the Code.

35

Section 2. Administration of Plan.

The Plan shall be administered by the Stock Option Plan Committee of the Company's Board of Directors (the "Board"), or such other committee as the Board may designate (the "Committee"); provided, however, that members of the Committee shall be (i) "Non-Employee Directors" within the meaning of Rule 16b-3 of the Securities Exchange Act of 1934, as amended (the "1934 Act"), and (ii) "outside directors" within the meaning of Section 162(m) of the Code. The members of the Committee shall serve at the pleasure of the Board, which may remove members from the Committee or appoint new members to the Committee from time to time, and members of the Committee may resign by written notice to the Chairman of the Board or the Secretary of the Company. The Committee shall have the power and authority to: (a) select Eligible Employees (as defined in Section 3, below) as recipients of Awards (such recipients, "Participants"); (b) grant Stock Options, Restricted Shares, or Performance Shares, or any combination thereof; (c) determine the number and type of Awards to be granted; (d) determine the terms and conditions, not inconsistent with the terms hereof, of any Award, including without limitation, time and performance restrictions; (e) adopt, alter, and repeal such administrative rules, guidelines, and practices governing the Plan as it shall, from time to time, deem advisable; (f) interpret the terms and provisions of the Plan and any Award granted hereunder and any agreements relating thereto; and (g) take any other actions the Committee considers appropriate in connection with, and otherwise supervise the administration of, the Plan. All decisions made by the Committee pursuant to the provisions hereof, including without limitation, decisions with respect to employees to be granted Awards and the number and type of Awards, shall be made in the Committee's sole discretion and shall be final and binding on all persons.

The Committee may designate persons other than its members to carry out its responsibilities under such conditions and limitations as it may set, except to the extent that such delegation is prohibited by law or would cause an Award intended to be exempt from the limitation on deductibility under Section 162(m) of the Code, or from the short-swing profit recovery rules of Section 16(b) of the 1934 Act, to fail to be so exempt.

Section 3. Participants in Plan.

The persons eligible to receive Awards under the Plan ("Eligible Employees") shall include officers and other key employees of the Company or one or more of its subsidiaries who, in the opinion of the Committee, have responsibilities affecting the management, development, or financial success of the Company or such subsidiaries.

Section 4. Shares Subject to Plan.

The maximum aggregate number of Shares which may be issued each calendar year under the Plan ("Available Shares") shall be an amount equal to the sum of (a) 5.0% of the total outstanding Shares as of the last day of the Company's immediately preceding fiscal year, plus (b) any Shares related to Awards that, in whole or in part, expire or are unexercised, forfeited, terminated, surrendered, canceled, settled in such a manner that all or some of the Shares covered by an Award are not issued to a Participant, or returned to the Company in payment of the exercise price or tax withholding obligations in connection with outstanding Awards, plus (c) in calendar year 2001, the number of shares available for grant under the Plan as of June 1, 2001, and in all subsequent years of the Plan, any unused portion of the Shares available under Section (a) above for the immediately preceding two fiscal years (but not prior to the Company's fiscal year ending October 31, 2001) as a result of not being made subject to a grant or award in such preceding two fiscal years. Notwithstanding the foregoing, for the Company's fiscal year ending October 31, 2001, the number of total outstanding Shares in Section (a) above, shall be calculated as of January 1, 2001, rather than as of October 31, 2000 (the last day of the immediately preceding fiscal year). In no event shall more than 20% of the Available Shares be granted in the form of Awards other than Stock Options, and, of the Available Shares, the maximum number of ISOs that will be issued under the Plan during its term is 2,500,000 Shares. The Available Shares may be authorized but unissued Shares or issued Shares reacquired by the Company, including Shares purchased on the open market, and held as treasury Shares. The maximum number of Shares with respect to which Stock Options, Restricted Shares, and Performance Shares may be granted to any single Participant under the Plan during any single fiscal year of the Company shall be 100,000. Any of the Shares delivered upon the assumption of or in substitution for outstanding grants made by a company or division acquired by the Company shall not decrease the number of Available Shares, except to the extent otherwise provided by applicable law or regulation.

Section 5. Grant of Awards.

ISOs, NQSOs, Restricted Shares, and Performance Shares may be granted alone or in addition to other Awards granted under the Plan. Any Awards granted under the Plan shall be in such form as the Committee may from time to time approve, consistent with the Plan, and the provisions of Awards need not be the same with respect to each Participant.

Each Award granted under the Plan shall be authorized by the Committee and shall be evidenced by a written Stock Option Agreement, Restricted Share Agreement, or Performance Share Agreement, as the case may be (collectively, "Award Agreements"), in the form approved by the Committee from time to time, which shall be dated as of the date approved by the Committee in connection with the grant, signed by an officer of the Company authorized by the Committee, and signed by the Participant, and which shall describe the Award and state that the Award is subject to all the terms and provisions of the Plan and such other terms and provisions, not inconsistent with the Plan, as the Committee may approve. The date on which the Committee approves the granting of an Award shall be deemed to be the date on which the Award is granted for all purposes, unless the Committee otherwise specifies in its approval. The granting of an Award under the Plan, however, shall be effective only if and when a written Award Agreement is duly executed and delivered by or on behalf of the Company and the Participant.

Section 6. Stock Options.

Stock Options granted under the Plan shall be subject to the following terms and conditions and shall contain such additional terms and conditions not inconsistent with the terms of the Plan as the Committee deems appropriate:

(a.) Exercise Price.

The exercise price per Share issuable upon exercise of a Stock Option shall be no less than the fair market value per Share on the date the Stock Option is granted; provided that, if the Participant at the time an ISO is granted owns stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or of any subsidiary, the exercise price per Share shall be at least 110% of the fair market value of the Shares subject to the ISO on the date of grant. For purposes of the Plan, the fair market value of the Shares shall mean, as of any given date, the (i) last reported sale price on the New York Stock Exchange on the most recent previous trading day, (ii) last reported sale price on the NASDAQ National Market System on the most recent previous trading day, (iii) mean between the high and low bid and ask prices, as reported by the National Association of Securities Dealers, Inc. on the most recent previous trading day, or (iv) last reported sale price on any other stock exchange on which the Shares are listed on the most recent previous trading day, whichever is applicable; provided that if none of the foregoing is applicable, then the fair market value of the Shares shall be the value determined in good faith by the Committee, in its sole discretion.

(b.) Vesting and Exercise of Options.

A Stock Option shall be exercisable only with respect to the Shares which have become vested pursuant to the terms of that Stock Option. Each Stock Option shall become vested with respect to Shares subject to that Stock Option on such date or dates and on the basis of such other criteria, including without limitation, the performance of the Company, as the Committee may determine, in its discretion, and as shall be specified in the applicable Stock Option Agreement. The Committee shall have the authority, in its discretion, to accelerate the time at which a Stock Option shall be exercisable whenever it may determine that such action is appropriate by reason of changes in applicable tax or other law or other changes in circumstances occurring after the grant of such Stock Option.

(c.) Term.

Each Stock Option Agreement shall set forth the period for which such Option shall be exercisable from the date on which that Stock Option is granted. In no event, however, shall a Stock Option be exercisable after the expiration of 10 years from the date on which that Stock Option is granted. In addition, with respect to ISOs, if the Participant at the time the ISO is granted owns stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or any subsidiary, the ISO shall not be exercisable after the expiration of five years from the date on which the ISO is granted.

(d.) Method of Exercise.

A Stock Option may be exercised, in whole or in part, by giving written notice to the Company stating the number of Shares (which must be a whole number) to be purchased. Upon receipt of payment of the full purchase price for such Shares by certified or bank cashier's check or other form of payment acceptable to the Company, or, if approved by the Committee, by (i) delivery of unrestricted Shares having a fair market value on the date of such delivery equal to the total exercise price, (ii) surrender of Shares subject to the Stock Option which have a fair market value equal to the total exercise price at the time of exercise, or (iii) a combination of the preceding methods, and subject to compliance with all other terms and conditions of the Plan and the Stock Option Agreement relating to such Stock Option, the Company shall issue, as soon as reasonably practicable after receipt of such payment, such Shares to the person entitled to receive such Shares, or such person's designated representative. Such Shares may be issued in the form of a certificate, by book entry, or otherwise, in the Company's sole discretion.

(e.) Restrictions on Shares Subject to Stock Options.

Shares issued upon the exercise of any Stock Option may be made subject to such disposition, transferability or other restrictions or conditions as the Committee may determine, in its discretion, and as shall be set forth in the applicable Stock Option Agreement.

(f.) Transferability.

Except as provided in this paragraph, Stock Options shall not be transferable, and any attempted transfer (other than as provided in this paragraph) shall be null and void. Except for Stock Options transferred as provided in this paragraph, all Stock Options shall be exercisable during a Participant's lifetime only by the Participant or the Participant's legal representative. Without limiting the generality of the foregoing, (i) ISOs may be transferred only upon the Participant's death and only by will or the laws of descent and distribution and, in the case of such a transfer, shall be exercisable only by the transferee or such transferee's legal representative, (ii) NQSOs may be transferred by will or the laws of descent and distribution and, in the case of such a transfer, shall be exercisable only by the transferee or such transferee's legal representative, and (iii) the Committee may, in its sole discretion and in the manner established by the Committee, provide for the irrevocable transfer, without payment of consideration, of any NQSO by a Participant to such Participant's parent(s), spouse, domestic partner, children, grandchildren, nieces, nephews or to the trustee of a trust for the principal benefit of one or more such persons or to a partnership whose only partners are one or more such persons, and, in the case of such transfer, such NQSO shall be exercisable only by the transferee or such transferee's legal representative.

For purposes of this paragraph (f.), the term "domestic partner" of a Participant means an adult with whom the Participant has established a domestic partnership for purposes of sharing one another's lives in a single, intimate and committed relationship of mutual caring. A domestic partnership shall be considered to have been established when all of the following requirements are met: (i) the Participant and the domestic partner (A) have a common, permanent residence; (B) agree to be jointly responsible for each other's basic living expenses incurred during the domestic partnership; (C) are not related by blood in a way that would prevent them from being married to each other in their state of residence; (D) are each at least 18 years of age; and (E) are both capable of consenting to the domestic partnership; (ii) neither the Participant nor the domestic partner is married or a member of another domestic partnership; and (iii) the Participant has delivered to the Committee an acknowledgement signed by both the Participant and the domestic partner representing to the Committee that they meet the definition of a domestic partnership. Such acknowledgement shall be in a form specified from time to time by the Committee. Upon acceptance by the Committee, such domestic partnership shall be deemed to continue unless and until the Participant and the domestic partner execute and deliver to the Committee a further acknowledgement whereby they each agree that the domestic partnership established thereby has terminated.

(g.) Termination of Employment by Reason of Death or Disability.

If a Participant's employment with the Company terminates by reason of the Participant's death or disability (as defined in Section 22(e)(3) of the Code with respect to ISOs, and, with respect to NQSOs, as defined by the Committee in its sole discretion at the time of grant and set forth in the Stock Option Agreement), then (i) unless otherwise determined by the Committee within 60 days of such death or disability, to the extent a Stock Option held by such Participant is not vested as of the date of death or disability, such Stock Option shall automatically terminate on such date, and (ii) to the extent a Stock Option held by such Participant is vested (whether pursuant to its terms, a determination of the Committee under the preceding clause (i), or otherwise) as of the date of death or disability, such Stock Option may thereafter be exercised by the Participant, the legal representative of the Participant's estate, the legatee of the Participant under the will of the Participant, or the distributee of the Participant's estate, whichever is applicable, for a period of one year (or, with respect to NQSOs, such other period as the Committee may specify at or after grant or death or disability) from the date of death or disability or until the expiration of the stated term of such Stock Option, whichever period is shorter.

(h.) Termination of Employment by Reason of Retirement.

If a Participant's employment with the Company terminates by reason of the Participant's retirement, then (i) to the extent such Option is not vested it shall, unless otherwise provided in the Award Agreement, be forfeited, and (ii) each vested Option held by such Participant may thereafter be exercised by the Participant according to its terms, including, without limitation, for such period after such termination of employment as shall be set forth in the applicable Stock Option Agreement. Each ISO held by such Participant that is exercised by the Participant later than 90 days after the date of such termination of employment may not receive ISO tax treatment; in such event the Option shall be treated as an NQSO. For purposes of the Plan, "retirement" means a termination from employment from the Company and its subsidiaries that qualifies as either early or normal retirement under the Company's tax qualified pension plan, provided that the Participant is not thereafter employed by (whether as an employee, consultant, agent, officer, director or independent contractor) or engaged in (whether as a shareholder or other owner, partner, creditor, promoter or otherwise) any business which competes with the Company, as determined by the Committee in its sole discretion.

(i.) Other Termination of Employment.

If a Participant's employment with the Company and its subsidiaries terminates for any reason other than death, disability, or retirement, then (i) to the extent any Stock Option held by such Participant is not vested as of the date of such termination, such Stock Option shall automatically terminate on such date; and (ii) to the extent any Stock Option held by such Participant is vested as of the date of such termination, such Stock Option may thereafter be exercised for a period of 90 days (or, with respect to NQSOs, such other period as the Committee may specify at or after grant or termination of employment) from the date of such termination or until the expiration of the stated term of such Stock Option, whichever period is shorter; provided that, upon the termination of the Participant's employment by the Company or its subsidiaries for Cause (as defined in an applicable Stock Option Agreement), any and all unexercised Stock Options granted to such Participant shall immediately lapse and be of no further force or effect. For purposes of the Plan, whether termination of a Participant's employment by the Company and its subsidiaries is for "Cause" shall be determined by the Committee, in its sole discretion.

(j.) Effect of Termination of Participant's Employment on Transferee.

Except as otherwise permitted by the Committee in its sole discretion, no Stock Option held by a transferee of a Participant pursuant to Section 6(f)(iii), above, shall remain exercisable for any period of time longer than would otherwise be permitted under Sections 6(g), (h), and (i) without specification of other periods by the Committee as provided therein.

(k.) ISO Limitations and Savings Clause.

The aggregate fair market value (determined as of the time of grant) of the Shares with respect to which ISOs are exercisable for the first time by the Participant during any calendar year under the Plan and any other stock option plan of the Company and its affiliates shall not exceed \$100,000 unless otherwise permitted by Code Section 422 as an unused limit carryover to such year. Any Options which were intended to be ISOs that exceed this limitation shall be deemed to be NQSOs.

Any provision of the Plan to the contrary notwithstanding, without the consent of each Participant affected, no provision of the Plan relating to ISOs shall be interpreted, amended, or altered, nor shall any discretion or authority granted under the Plan be so exercised, so as to disqualify the Plan under Section 422 of the Code or so as to disqualify any ISO under such Code Section 422.

Section 7. Restricted Shares.

Restricted Shares awarded under the Plan shall be subject to the following terms and conditions and such additional terms and conditions not inconsistent with the terms of the Plan as the Committee deems appropriate:

(a.) Price.

The purchase price for Restricted Shares shall be any price set by the Committee and may be zero. Payment in full of the purchase price, if any, shall be made by certified or bank cashier's check or other form of payment acceptable to the Company, or, if approved by the Committee, by (i) delivery of unrestricted Shares having a fair market value on the date of such delivery equal to the total purchase price, or (ii) a combination of the preceding methods.

(b.) Acceptance of Restricted Shares.

At the time of the Restricted Share Award, the Committee may determine that such Shares shall, after vesting, be further restricted as to transferability or be subject to repurchase by the Company or forfeiture upon the occurrence of certain events determined by the Committee, in its sole discretion, and specified in the Restricted Share Agreement. Awards of Restricted Shares must be accepted by the Participant within 30 days (or such other period as the Committee may specify at grant) after the grant date by executing the Restricted Share Agreement. The Participant shall not have any rights with respect to the grant of Restricted Shares unless and until the Participant has executed the Restricted Share Agreement, delivered a fully executed copy thereof to the Company, and otherwise complied with the applicable terms and conditions of the Award.

(c.) Share Restrictions.

Subject to the provisions of the Plan and the applicable Restricted Share Agreement, during such period as may be set by the Committee, in its discretion, and as shall be set forth in the applicable Restricted Share Agreement (the "Restriction Period"), the Participant shall not be permitted to sell, transfer, pledge, assign, or otherwise encumber the Restricted Shares. The Committee shall have the authority, in its sole discretion, to accelerate the time at which any or all of the restrictions shall lapse with respect to any Restricted Shares. Unless otherwise determined by the Committee at or after grant or termination of the Participant's employment, if the Participant's employment by the Company and its subsidiaries terminates during the Restriction Period, all Restricted Shares held by such Participant and still subject to restriction shall be forfeited by the Participant.

(d.) Stock Issuances and Restrictive Legends.

Upon execution and delivery of the Restricted Share Agreement as described above and receipt of payment of the full purchase price, if any, for the Restricted Shares subject to such Restricted Share Agreement, the Company shall, as soon as reasonably practicable thereafter, issue the Restricted Shares. Restricted Shares may be issued, whenever issued, in the form of a certificate, by book entry, or otherwise, in the Company's sole discretion, and shall bear an appropriate restrictive legend. Notwithstanding the foregoing to the contrary, the Committee may, in its sole discretion, require that Restricted Shares be issued to and held by the Company or a trustee of a trust set up by the Committee, consistent with the terms and conditions of the Plan, to hold such Restricted Shares until the restrictions thereon have lapsed (in full or in part, in the Committee's sole discretion), and the Committee may require that, as a condition of any Restricted Share Award, the Participant shall have delivered to the Company or such trustee, as appropriate, a stock power, endorsed in blank, relating to the Restricted Shares covered by the Award.

(e.) Shareholder Rights.

Unless otherwise provided in the applicable Restricted Share Agreement, no Participant (or his executor or administrator or other transferee) shall have any rights of a shareholder in the Company with respect to the Restricted Shares covered by an Award unless and until the Restricted Shares have been duly issued and delivered to him under the Plan.

(f.) Expiration of Restriction Period.

Upon the expiration of the Restriction Period without prior forfeiture of the Restricted Shares (or rights thereto) subject to such Restriction Period, unrestricted Shares shall be issued and delivered to the Participant.

(g) Termination of Employment.

If a Participant's employment by the Company and its subsidiaries terminates before the end of any Restriction Period with the consent of the Committee, or upon the Participant's death, retirement (as defined in Section 6(h), above), or disability (as defined by the Committee in its discretion at the time of grant and set forth in the Restricted Share Agreement), the Committee may authorize the issuance to such Participant (or his legal representative or designated beneficiary) of all or a portion of the Restricted Shares which would have been issued to him had his employment continued to the end of the Restriction Period. If the Participant's employment by the Company and its subsidiaries terminates before the end of any Restriction Period for any other reason, all Restricted Shares shall be forfeited.

Section 8. Performance Shares.

Performance Shares awarded under the Plan shall be subject to the following terms and conditions and such additional terms and conditions not inconsistent with the terms of the Plan as the Committee deems appropriate:

(a.) Performance Periods and Goals.

(i) The performance period for each Award of Performance Shares shall be of such duration as the Committee shall establish at the time of the Award (the "Performance Period"). There may be more than one Award in existence at any one time, and Performance Periods may differ.

(ii) At the time of each Award of Performance Shares, the Committee shall establish a range of performance goals (the "Performance Goals") to be achieved during the Performance Period. The Performance Goals shall be determined by the Committee using such measures of the performance of the Company over the Performance Period as the Committee shall select, including without limitation earnings, return on capital, or any performance goal approved by the shareholders of the Company in accordance with Section 162(m) of the Code. Performance Shares awarded to Participants will be earned as determined by the Committee with respect to the attainment of the Performance Goals set for the Performance Period. Attainment of the highest Performance Goal for the Performance Period will earn 100% of the Performance Shares awarded for the Performance Period; failure to attain the lowest Performance Goal for the Performance Period will earn none of the Performance Shares awarded for the Performance Period. After the applicable Performance Period shall have ended, the Committee shall certify in writing the extent to which the established Performance Goals have been achieved and the number of Performance Shares earned.

(iii) Attainment of the Performance Goals will be determined by the Committee. If Performance Goals are based on the financial performance of the Company, attainment of the Performance Goals shall be determined from the consolidated financial statements of the Company, as applicable, but shall generally exclude (A) the effects of changes in federal income tax rates, (B) the effects of unusual, non-recurring, and extraordinary items as defined by Generally Accepted Accounting Principles ("GAAP"), and (C) the cumulative effect of changes in accounting principles in accordance with GAAP. The Performance Goals may vary for different Performance Periods and need not be the same for each Participant receiving an Award for a Performance Period. The Committee may, in its sole discretion, subject to the limitations of Section 17, vary the terms and conditions of any Performance Share Award, including without limitation the Performance Period and Performance Goals, without shareholder approval, as applied to any recipient who is not a "covered employee" with respect to the Company as defined in Section 162(m) of the Code. In the event applicable tax or securities laws change to permit the Committee discretion to alter the governing performance measures as they pertain to covered employees without obtaining shareholder approval of such changes, the Committee shall have sole discretion to make such changes without obtaining shareholder approval.

(b.) Price.

The purchase price for Performance Shares shall be any price set by the Committee and may be zero. Payment in full of the purchase price, if any, shall be made by certified or bank cashier's check or other form of payment acceptable to the Company, or, if approved by the Committee, by (i) delivery of unrestricted Shares having a fair market value on the date of such delivery equal to the total purchase price, or (ii) a combination of the preceding methods.

(c.) Acceptance of Performance Shares.

At the time of the Performance Share Award, the Committee may determine that such Shares shall, after vesting pursuant to the Performance Period and Performance Goal provisions described above, be further restricted as to transferability or be subject to repurchase by the Company or forfeiture upon the occurrence of certain events determined by the Committee, in its sole discretion, and specified in the Performance Share Agreement. Awards of Performance Shares must be accepted by the Participant within 30 days (or such other period as the Committee may specify at grant) after the grant date by executing the Performance Share Agreement. The Participant shall not have any rights with respect to the grant of Performance Shares unless and until the Participant has executed the Performance Share Agreement, delivered a fully executed copy thereof to the Company, and otherwise complied with the applicable terms and conditions of the Award.

(d.) Share Restrictions.

Subject to the provisions of the Plan and the applicable Performance Share Agreement, during the Performance Period and any additional restriction period (as described in Section 8(c), above), the Participant shall not be permitted to sell, transfer, pledge, assign, or otherwise encumber the Performance Shares. The Committee shall have the authority, in its sole discretion, to accelerate the time at which any or all of the restrictions shall lapse with respect to any Performance Shares. Unless otherwise determined by the Committee at or after grant or termination of the Participant's employment, if the Participant's employment by the Company and its subsidiaries terminates during the Performance Period or any additional period of restriction, all Performance Shares held by such Participant and still subject to restriction shall be forfeited by the Participant.

(e.) Stock Issuances and Restrictive Legends.

Upon execution and delivery of the Performance Share Agreement as described above and receipt of payment of the full purchase price, if any, for the Performance Shares subject to such Performance Share Agreement, the Company shall, as soon as reasonably practicable thereafter, issue the Performance Shares. Performance Shares may be issued, whenever issued, in the form of a certificate, by book entry, or otherwise, in the Company's sole discretion, and shall bear an appropriate restrictive legend. Notwithstanding the foregoing to the contrary, the Committee may, in its sole discretion, require that the Performance Shares be issued to and held by the Company or a trustee of a trust set up by the Committee, consistent with the terms and conditions of the Plan, to hold such Performance Shares until the restrictions on such Performance Shares have lapsed (in full or in part, in the Committee's sole discretion), and the Committee may require that, as a condition of any Performance Share Award, the Participant shall have delivered to the Company or such trustee a stock power, endorsed in blank, relating to the Performance Shares covered by the Award.

(f.) Shareholder Rights.

Unless otherwise provided in the applicable Performance Share Agreement, no Participant (or his executor or administrator or other transferee) shall have any rights of a shareholder in the Company with respect to the Performance Shares covered by an Award unless and until the Performance Shares have been duly issued and delivered to him under the Plan.

(g.) Expiration of Restricted Period.

Subject to fulfillment of the terms and conditions of the applicable Performance Share Agreement and any other vesting requirements related to the applicable Performance Period or Performance Goals, and upon the expiration of any additional period of restriction as described in Section 8(c), if any, without prior forfeiture of the Performance Shares (or rights thereto) subject to such Restriction Period, unrestricted Shares shall be issued and delivered to the Participant.

(h.) Termination of Employment.

If a Participant's employment by the Company and its subsidiaries terminates before the end of any Performance Period with the consent of the Committee, or upon the Participant's death, retirement (as defined in Section 6(h), above), or disability (as defined by the Committee in its discretion at the time of grant and set forth in the Performance Share Agreement), the Committee, taking into consideration the performance of such Participant and the performance of the Company over the Performance Period, may authorize the issuance to such Participant (or his legal representative or designated beneficiary) of all or a portion of the Performance Shares which would have been issued to him had his employment continued to the end of the Performance Period. If the Participant's employment by the Company and its subsidiaries terminates before the end of any Performance Period for any other reason, all such Performance Shares shall be forfeited.

Section 9. Restriction on Exercise After Termination.

Notwithstanding any provision of this Plan to the contrary, no unexercised right created under this Plan (an "Unexercised Right") and held by a Participant on the date of termination of such Participant's employment with the Company and its subsidiaries for any reason shall be exercisable after such termination if, prior to such exercise, the Participant (a) takes other employment or renders services to others without the written consent of the Company, (b) violates any non-competition, confidentiality, conflict of interest, or similar provision set forth in the Award Agreement pursuant to which such Unexercised Right was awarded, or (c) otherwise conducts himself in a manner adversely affecting the Company in the sole discretion of the Committee.

Section 10. Withholding Tax.

The Company, at its option, shall have the right to require the Participant or any other person receiving Shares, Restricted Shares, or Performance Shares (including cash in lieu of Performance Shares) to pay the Company the amount of any taxes which the Company is required to withhold with respect to such Shares, Restricted Shares, or Performance Shares or, in lieu of such payment, to retain or sell without notice a number of such Shares sufficient to cover the amount required to be so withheld. The Company, at its option, shall have the right to deduct from all dividends paid with respect to Shares, Restricted Shares, and Performance Shares the amount of any taxes which the Company is required to withhold with respect to such dividend payments. The Company, at its option, shall also have the right to require a Participant to pay to the Company the amount of any taxes which the Company is required to withhold with respect to the receipt by the Participant of Shares pursuant to the exercise of a Stock Option, or, in lieu of such payment, to retain, or sell without notice, a number of Shares sufficient to cover the amount required to be so withheld. The obligations of the Company under the Plan shall be conditional on such payment or other arrangements acceptable to the Company.

Section 11. Securities Law Restrictions.

No right under the Plan shall be exercisable and no Share shall be delivered under the Plan except in compliance with all applicable federal and state securities laws and regulations. The Company shall not be required to deliver any Shares or other securities under the Plan prior to such registration or other qualification of such Shares or other securities under any state or federal law, rule, or regulation as the Committee shall determine to be necessary or advisable.

The Committee may require each person acquiring Shares under the Plan (a) to represent and warrant and agree with the Company, in writing, that such person is acquiring the Shares without a view to the distribution thereof, and (b) to make such additional representations, warranties, and agreements with respect to the investment intent of such person or persons as the Committee may reasonably request. Any certificates for such Shares may include any legend which the Committee deems appropriate to reflect any restrictions on transfer.

All Shares or other securities delivered under the Plan shall be subject to such stop-transfer orders and other restrictions as the Committee may deem advisable under the rules, regulations, and other requirements of the Securities and Exchange Commission, any stock exchange upon or market in which the Shares are then listed or traded, and any applicable federal or state securities law, and the Committee may cause a legend or legends to be put on any certificates evidencing such Shares to make appropriate reference to such restrictions.

Section 12. Change in Control.

(a.) Accelerated Vesting and Company Purchase Option.

Notwithstanding any provision of this Plan or any Award Agreement to the contrary (unless such Award Agreement contains a provision referring specifically to this Section 12 and stating that this Section 12 shall not be applicable to the Award evidenced by such Award Agreement), if a Change in Control or a Potential Change in Control (each as defined below) occurs, then:

(i) Any and all Stock Options theretofore granted and not fully vested shall thereupon become vested and exercisable in full and shall remain so exercisable in accordance with their terms, and the restrictions applicable to any or all Restricted Shares and Performance Shares shall lapse and such Shares and Awards shall be fully vested; provided that no Stock Option or other Award which has previously been exercised or otherwise terminated shall become exercisable; and

(ii) The Company may, at its option, terminate any or all unexercised Stock Options and portions thereof not more than 30 days after such Change in Control or Potential Change in Control; provided that the Company shall, upon such termination and with respect to each Stock Option so terminated, pay to the Participant (or such Participant's transferee, if applicable) theretofore holding such Stock Option cash in an amount equal to the difference between the fair market value (as defined in Section 6(a), above) of the Shares subject to the Stock Option at the time the Company exercises its option under this Section 12(a)(ii) and the exercise price of the Stock Option; and provided further that if such fair market value is less than such exercise price, then the Committee may, in its discretion, terminate such Stock Option without any payment.

(b.) Definition of Change in Control.

For purposes of the Plan, a "Change in Control" shall mean the happening of either of the following:

(i) When any "person" as defined in Section 3(a)(9) of the 1934 Act and as used in Sections 13(d) and 14(d) thereof, including a "group" as defined in Section 13(d) of the 1934 Act, but excluding the Company, any subsidiary of the Company, and any employee benefit plan sponsored or maintained by the Company or any subsidiary of the Company (including any trustee of such plan acting as trustee), directly or indirectly, becomes the "beneficial owner" (as defined in Rule 13d-3 under the 1934 Act) of securities of the Company representing 50% or more of the combined voting power of the Company's then outstanding securities; or

(ii) The occurrence of a transaction requiring stockholder approval for the acquisition of the Company by an entity other than the Company, a subsidiary of the Company, or any of their respective affiliates through purchase of assets, by merger, or otherwise.

Notwithstanding the foregoing to the contrary, a change in control shall not be deemed to be a Change in Control for purposes of this Plan if the Incumbent Directors of the Board approve or had approved such change (A) described in Sections 12(b)(i), (ii), or 12(c)(i) of this Plan, or (B) prior to the commencement by any person other than the Company of a tender offer for Shares.

(c.) Definition of Potential Change in Control.

For purposes of the Plan, a "Potential Change in Control" means the happening of either one of the following:

(i) The approval by the stockholders of the Company of an agreement by the Company, the consummation of which would result in a Change in Control of the Company as defined in Section 12(b), above; or

(ii) The acquisition of beneficial ownership of the Company, directly or indirectly, by any entity, person, or group (other than the Company, a subsidiary of the Company, or any Company employee benefit plan (including any trustee of such plan acting as such trustee)) representing 15% or more of the combined voting power of the Company's outstanding securities and the adoption by the Board of a resolution to the effect that a Potential Change in Control of the Company has occurred for purposes of the Plan.

Section 13. Changes in Capital Structure.

In the event the Company changes its outstanding Shares by reason of stock splits, stock dividends, or any other increase or reduction of the number of outstanding Shares without receiving consideration in the form of money, services, or property deemed appropriate by the Board, in its sole discretion, the aggregate number of Shares subject to the Plan, the limitation on the number of Shares available under the Plan for issuance pursuant to an Award other than Stock Options, the limitation on the number of Shares subject to ISOs and the limitations on the number of Shares subject to Stock Options, Restricted Shares and Performance Shares granted to any single Participant shall be proportionately adjusted or substituted and the number of Shares, and the exercise price for each Share subject to the unexercised portion of any then-outstanding Award shall be proportionately adjusted, with the objective that the Participant's proportionate interest in the Company shall reflect equitably the effects of such changes as applicable to the unexercised portion of any then-outstanding Awards, all as determined by the Committee in its sole discretion.

In the event of any other recapitalization, corporate separation or division, or any merger, consolidation, or other reorganization of the Company, the Committee shall make such adjustment, if any, as it may deem appropriate to accurately reflect the number and kind of shares deliverable, and the exercise prices payable, upon subsequent exercise of any then-outstanding Awards, as determined by the Committee in its sole discretion.

The Committee's determination of the adjustments appropriate to be made under this Section 13 shall be conclusive upon all Participants under the Plan.

Section 14. No Enlargement of Employee Rights.

The adoption of this Plan and the grant of one or more Awards to an employee of the Company or any of its subsidiaries shall not confer any right to the employee to continue in the employ of the Company or any such subsidiary and shall not restrict or interfere in any way with the right of his employer to terminate his employment at any time, with or without cause.

Section 15. Rights as a Shareholder.

No Participant or his executor or administrator or other transferee shall have any rights of a shareholder in the Company with respect to the Shares covered by an Award unless and until such Shares have been duly issued and delivered to him under the Plan.

Section 16. Acceleration of Rights.

The Committee shall have the authority, in its discretion, to accelerate the time at which a Stock Option or other Award right shall be exercisable whenever it may determine that such action is appropriate by reason of changes in applicable tax or other laws or other changes in circumstances occurring after the grant of the Award.

Section 17. Interpretation, Amendment, or Termination of the Plan.

The interpretation by the Committee of any provision of the Plan or of any Award Agreement executed pursuant to the grant of an Award under the Plan shall be final and conclusive upon all Participants or transferees under the Plan. The Board, without further action on the part of the shareholders of the Company, may from time to time alter, amend, or suspend the Plan or may at any time terminate the Plan, provided that: (a) no such action shall materially and adversely affect any outstanding Stock Option under the Plan without the consent of the holder of such Stock Option; and (b) except for the adjustments provided for in Section 13, above, no amendment may be made by Board action without shareholder approval if the amendment would require shareholder approval under applicable law or regulation. Subject to the above provisions, the Board shall have authority to amend the Plan to take into account changes in applicable tax and securities laws and accounting rules, stock exchange or market rules, as well as other developments.

The Committee may amend the terms of any Award theretofore granted, prospectively or retroactively; provided, no such amendment shall impair the rights of any Participant without the Participant's consent, unless it is made to cause the Plan or such Award to comply with applicable law, stock exchange or market rules or accounting rules.

Section 18. Unfunded Status of the Plan.

The Plan is intended to constitute an "unfunded" plan for incentive and deferred compensation. With respect to any payments or deliveries of Shares not yet made by the Company to a Participant or transferee nothing contained herein shall give any such Participant or transferee any rights that are greater than those of a general creditor of the Company. The Committee may authorize the creation of trusts or other arrangements to meet obligations created under the Plan to deliver Shares or payments hereunder consistent with the foregoing.

Section 19. Protection of Board and Committee.

No member of the Board or the Committee shall have any liability for any determination or other action made or taken in good faith with respect to the Plan or any Award granted under the Plan.

Section 20. Government Regulations.

Notwithstanding any provision of the Plan or any Award Agreement executed pursuant to the Plan, the Company's obligations under the Plan and such Award Agreement shall be subject to all applicable laws, rules, and regulations and to such approvals as may be required by any governmental or regulatory agencies, including without limitation, any stock exchange or market on which the Company's Shares may then be listed or traded.

Section 21. Governing Law.

The Plan shall be construed under and governed by the laws of the State of Delaware.

Section 22. Genders and Numbers.

When permitted by the context, each pronoun used in the Plan shall include the same pronoun in other genders and numbers.

Section 23. Captions.

The captions of the various sections of the Plan are not part of the context of the Plan, but are only labels to assist in locating those sections, and shall be ignored in construing the Plan.

Section 24. Effective Date.

The Plan shall be effective December 4, 2000 (the "Effective Date"). The Plan shall be submitted to the shareholders of the Company for approval and ratification as soon as practicable but in any event not later than 12 months after the adoption of the Plan by the Board. If the Plan is not approved and ratified by the shareholders of the Company within 12 months after the adoption of the Plan by the Board, the Plan and all Awards granted under the Plan shall become null and void and have no further force or effect.

Section 25. Term of Plan.

No Award shall be granted pursuant to the Plan on or after the 10th anniversary of the Effective Date, but Awards granted prior to such tenth anniversary may extend beyond that date.

Section 26. Savings Clause.

In case any one or more of the provisions of this Plan or any Award shall be held invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, and the invalid, illegal, or unenforceable provision shall be deemed null and void; however, to the extent permissible by law, any provision which could be deemed null and void shall first be construed, interpreted, or revised retroactively to permit this Plan or such Award, as applicable, to be construed so as to foster the intent of this Plan. This Plan and all Awards are intended to comply in all respects with applicable law and regulation, including, as applicable, Section 422 of the Code, Rule 16b-3 under the 1934 Act (with respect to persons subject to Section 16 of the 1934 Act ("Reporting Persons")), and Section 162(m) of the Code (with respect to covered employees as defined under Section 162(m) of the Code ("Covered Employees")). In case any one or more of the provisions of this Plan or any Award shall be held to violate or be unenforceable in any respect under Code Section 422, if applicable, Rule 16b-3, or Code Section 162(m), then, to the extent permissible by law, any provision which could be deemed to violate or be unenforceable under Code Section 422, Rule 16b-3, or Code Section 162(m) shall first be construed, interpreted, or revised retroactively to permit the Plan or such Award, as applicable, to be in compliance with Code Section 422, Rule 16b-3, and Code Section 162(m). Notwithstanding anything in this Plan to the contrary, the Committee, in its sole discretion, may bifurcate the Plan so as to restrict, limit, or condition the use of any provision of this Plan to Participants who are Reporting Persons or Covered Employees without so restricting, limiting, or conditioning this Plan with respect to other Participants.

The Committee may modify the terms of any Award under the Plan granted to a Participant who, at the time of grant or during the term of the Award, is resident or employed outside of the United States in any manner deemed by the Committee to be necessary or appropriate in order to accommodate differences in local law, regulation, tax policy or custom, or so that the value and other benefits of the Award to the Participant, as affected by foreign tax laws and other restrictions applicable as a result of the Participant's residence or employment abroad, will be comparable to the value of such Award to a Participant who is resident or employed in the United States. Moreover, the Committee may approve such supplements to, or amendments, restatements or alternative versions of this Plan as it may consider necessary or appropriate for such purposes without thereby affecting the terms of this Plan as in effect for any other purpose, provided that no such supplements, amendments, restatements or alternative versions shall include any provisions that are inconsistent with the terms of the Plan, as then in effect, unless this Plan could have been amended to eliminate such inconsistency without further approval of shareholders of the Company.

Executed this 4th day of December, 2000.

GREIF BROS. CORPORATION

By: _____

Title: Chairman and Chief
Executive Officer

AUDIT COMMITTEE CHARTER

The Audit Committee will be composed of not less than three members of the Board and will be selected by the Board. All of the members of the committee will be outside directors who are independent of management. In accordance with NASDAQ requirements a director will not be considered independent if, among other things, he or she has:

- * been employed by the corporation or its affiliates in the current or past three years;
- * accepted any compensation from the corporation or its affiliates in excess of \$60,000 during the previous fiscal year (except for board service, retirement plan benefits, or non-discretionary compensation);
- * an immediate family member who is, or has been in the past three years, employed by the corporation or its affiliates as an executive officer;
- * been a partner, controlling shareholder or an executive officer of any for-profit business to which the corporation made, or from which it received, payments (other than those which arise solely from investments in the corporation's securities) that exceed five percent of the organization's consolidated gross revenues for that year, or \$200,000, whichever is more, in any of the past three years; or
- * been employed as an executive of another entity where any of the company's executives serve on that entity's compensation committee.

All directors must be able to read and understand fundamental financial statements, including a company's balance sheet, income statement and cash flow statement. At least one director must have past employment experience in finance or accounting, requisite professional certification in accounting, or other comparable experience or background, including a current or past position as a chief executive or financial officer or other senior officer with financial oversight responsibilities.

59

The Audit Committee shall have unrestricted access to Company personnel and documents and will be given the resources necessary to discharge its responsibilities. The Audit Committee shall provide assistance to the corporate directors in fulfilling their responsibilities to the shareholders, potential shareholders and investment community relating to corporate accounting, reporting practices of the Company and the quality and integrity of the financial reports of the Company. In so doing, it is the responsibility of the Audit Committee to maintain free and open means of communication among the directors, the independent auditors, the internal auditors and the financial management of the Company. The Audit Committee shall meet on a regular basis and call special meetings as required.

Responsibilities of the Committee

The oversight responsibility of the committee includes the following:

- a) Those in which the committee will inform the Board that action has been taken in the Board's interest and does not require prior Board approval.
 1. Review and approve the scope of the annual audit for the Company and its subsidiaries recommended jointly by the independent auditors and the Chief Financial Officer (CFO).
 2. Review and approve the scope of the Company's annual profit and pension trusts audits.
 3. Review and approve the audit plan as recommended by the Company's internal auditor.
 4. Request the internal auditor to study a particular area of

interest or concern.

5. Discuss with the independent auditors their independence from management and the Company and the matters included in the written disclosures required by the Independence Standards Board.

b) Those which the committee will review and then recommend action by the Board.

1. Appoint independent public accounts, establishing the outside auditor's accountability to the Board and the Audit Committee.
2. Review major accounting policy changes before implementation.
3. Review SEC registration statements before signature by other Board members.
4. Review with management and the independent auditors the financial statements to be included in the Company's Annual Report on Form 10-K, including their judgment about the quality, not just acceptability, of accounting principles, the reasonableness of significant judgements, and the clarity of the disclosures in the financial statements.
5. Review annual audit reports including auditor's opinions and management letter.

- c) Those which the committee will review and provide summary information reports to the Board when appropriate.
1. Review trends in accounting policy changes proposed or adopted by organizations such as the Financial Accounting Standards Board, the Securities and Exchange Commission (SEC), and the American Institute of Certified Public Accountants.
 2. Interview independent auditors for review and analysis of strengths and weaknesses of the Company's financial staff, systems, adequacy of controls, and other factors which might be pertinent to the integrity of published financial reports.
 3. Review the interim financial statements with management and the independent auditors prior to the filing of the Company's Quarterly Report on Form 10-Q. The committee shall discuss the results of the quarterly review and any other matters required to be communicated to the committee by the independent auditors under generally accepted auditing standards. The chair of the committee may represent the entire committee for the purposes of this review.
 4. Review administration of the Company's "conflict of interest" policy, code of ethics and other policies and procedures relative to officers.
 5. Review insurance programs.
 6. Review the adequacy and maintenance of internal controls.
 7. Review with management significant findings or sensitive data or disclosures.
 8. Review legal and regulatory items as they apply to the Company.

The Audit Committee will perform any other functions assigned by the Board or by Law. The Audit Committee should meet with the Company's independent auditors at least annually. The Audit Committee should serve as a communication vehicle for the internal auditor and independent auditor to the Board. The internal auditor should report directly to the chairman of the Audit Committee with the Chief Financial Officer of the Company having the day-to-day supervisory functions over the internal auditor.

GREIF BROS. CORPORATION
CLASS B PROXY
FOR THE ANNUAL MEETING OF STOCKHOLDERS
CALLED FOR FEBRUARY 26, 2001

This Proxy is Solicited on Behalf of Management

The undersigned, being the record holder of Class B Common Stock and having received the Notice of Meeting and Proxy Statement dated January 26, 2001, hereby appoints Michael J. Gasser, Charles R. Chandler, Michael H. Dempsey, Naomi C. Dempsey, Daniel J. Gunsett, John C. Kane, Robert C. Macauley, David J. Olderman and William B. Sparks, Jr., and each or any of them as proxies, with full power of substitution, to represent the undersigned and to vote all shares of Class B Common Stock of Greif Bros. Corporation, which the undersigned is entitled to vote at the Annual Meeting of Stockholders of the Corporation to be held at 425 Winter Road, Delaware, Ohio 43015, at 10:00 o'clock A.M., E.S.T., on February 26, 2001, and at any adjournment thereof; as follows:

1. FOR OR AGAINST THE ELECTION OF ALL NOMINEES LISTED BELOW (except as marked to the contrary below):

Michael J. Gasser	Charles R. Chandler	Michael H. Dempsey
Naomi C. Dempsey	Daniel J. Gunsett	John C. Kane
Robert C. Macauley	David J. Olderman	William B. Sparks, Jr.

Instruction: To withhold authority to vote for any individual nominee, strike a line through his or her name.

2. Proposal to approve the Greif Bros. Corporation 2001 Management Equity Incentive and Compensation Plan.

FOR AGAINST ABSTAIN

3. IN THEIR DISCRETION, THE PROXIES ARE AUTHORIZED TO VOTE UPON SUCH OTHER MATTERS AS MAY PROPERLY COME BEFORE THE ANNUAL MEETING OR ANY ADJOURNMENT THEREOF.

The Shares represented by this Proxy will be voted upon the proposals listed above in accordance with the instructions given by the undersigned, but if no instructions are given, this Proxy will be voted to elect all of the nominees for directors as set forth in Item 1, above, to approve the Company's 2001 Management Equity Incentive and Stock Compensation Plan as set forth in Item 2, above, and in the discretion of the proxies on any other matter which properly comes before the Annual Meeting.

Record Holder

Number of Class B Shares Held

Dated _____, 2001

Please date and sign proxy exactly as your name appears above, joint owners should each sign personally. Trustees and others signing in a representative capacity should indicate the capacity in which they sign.