

General Terms and Conditions of Sale of
'FENA' Factory of Drive Elements, Ltd. –

1. Preliminary and general provisions -----

1.1. The present General Terms and Conditions of Sale (hereinafter referred to as 'OWS') are applied to delivery and sales contracts concluded by 'FENA' Factory of Drive Elements, Ltd.. Whenever the Seller or the Company is mentioned in the text of OWS, it concerns the company under the business name: 'FENA' Factory of Drive Elements, Ltd. with its head office in Katowice (Postcode: 40-525), ul. Kościuszki 191, National Court Register Number (KRS): 0000139924, National Business Registry Number (REGON): 008174001, Tax Identification Number (NIP): 634-012-80-38. -----

1.2. If the content of OWS is at variance with the content of particular contracts concluded in writing, provisions of these contracts have priority. -----

1.3. The Purchaser can transfer the rights and obligations coming out of the contract mentioned in item 1.1 of OWS to the third party only with the written consent of the Seller. --

2. Price and payment terms -----

2.1. All prices given by the Seller in the offer or order acceptance confirmation are obligatory for both parties and are net prices (subject to increase by obligatory VAT rate). The prices have been fixed in Manufacturing Plant of the Company in Świętochłowice. -----

2.2. The payment should be made by a transfer into a bank account and within the time limit which is given every time to the Purchaser in the offer or order acceptance confirmation. -----

2.3. The offer or order acceptance confirmation can contain the obligation of the Purchaser to pay some money in advance towards the price of the product in advance (including VAT). If there is no other contract between parties, the advance payment makes the Seller start the performance of the contract and the Purchaser must make the advance payment within 7 days from the date The Seller

receives the order. When there is no payment, the order fulfillment time shall be prolonged respectively. -----

3. Contract concluding procedure. Order fulfillment time. -----

3.1. In order to conclude a delivery or sale contract, the Purchaser in response to the offer of the Company directed to him should send the order: -----

a) by e-mail to one of the e-mail addresses of the Company given at the address: www.fena.pl or, -----

b) in writing: by sending a fax to the number indicated in the offer; by handing it to an authorized employee of the Company in the head office of the Company; by sending a registered letter to the address of the Company, -----

The Purchaser is additionally obliged to indicate the e-mail address or fax number which the order acceptance confirmation should be directed to. -----

3.2. In the order mentioned in item 3.1. of OWS it is necessary in particular to indicate a detailed quantity and quality specification of ordered goods (if needed also requirements concerning technical parameters of the product and its packaging as well as technical documentation including technical drawings essential for the performance of the contract), the Purchaser's company, the head office/place of residence and address, Tax Identification Number (NIP) and National Business Registry Number (REGON) and in the case of organizational units also the designation of the Register Court and the number in the Register of Entrepreneurs. Moreover, it is necessary to indicate the telephone and fax number of the Purchaser as well as the designation of people authorized to be contacted with reference to the order. -----

3.3. The contract is deemed to be concluded when 'FENA'Factory of Drive Elements, Ltd. receives the order placed by the Purchaser (the offer acceptance declaration). -----

3.4. If the content of the order placed by the Purchaser differs within the essential provisions from the content of the offer of

'FENA' Factory of Drive Elements, Ltd. (there are differences in: product designation, production material, technical parameters of the product, price, fulfillment date, payment terms, guarantee, warranty, responsibility of the Seller due to non-performance or unsuitable performance of the obligation), the Seller within 7 days from the date of receiving the order sends the Purchaser at the address the order was sent from or at the address/fax number indicated in the way specified in item 3.1. of OWS, the order acceptance confirmation for fulfillment. In the case specified in item 3.4 the contract is considered to be concluded if the Purchaser does not reject conditions (provisions) included in the order acceptance confirmation in the manner mentioned in item 3.1 of OWS within 3 days from the date of receiving the order acceptance confirmation. Other forms of the order acceptance confirmation for fulfillment than in writing are permitted. --

3.5. The final order fulfillment time is the time identified in the offer of the Company or in the order acceptance confirmation. If these dates are mutually contradictory, the final order fulfillment time is considered by the parties to be the time indicated in the order acceptance confirmation. -----

3.6. The order fulfillment time is considered to be the day of putting the products covered by the contract at the Purchaser's disposal in the Production Plant of the Company located in Świętochłowice (postcode: 41-605) at ul. E. Imieli 47 unless the Parties have agreed otherwise. -----

3.7. The Purchaser is obliged to accept the product within 14 days from the order fulfillment time. After time limit, the cost of product storage and the risk of its damage are transferred to the Purchaser. ---

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4. Guarantee and warranty. Non-performance or improper performance of the obligation. ----

4.1. The Seller bears responsibility for non-performance or improper performance of the obligation caused by his fault

resulting from the contracts mentioned in item 1.1. of OWS within the limits indicated in OWS. -----

4.2. The Seller grants the guarantee on the product for the period of 12 months from the date of sale. The date of sale is considered to be the time specified in accordance with item 5.4. of OWS. Moreover, the Seller provides the warranty for physical defects of the product under the rules specified in item 4.4. of OWS.----

4.3. If the Seller takes responsibility specified in item 4.2. of OWS, he is obliged to remove the physical defects of the product or to deliver the product free from defects at his own expense if these defects are revealed within 12 months from the date of sale and concern defects in material and workmanship (in consequence of defective material or defective workmanship). -----

4.4. The Purchaser is obliged to make quality and quantity acceptance of delivered products and to inform about any possible defects of the product within 7 days from the date of giving him the product. The quality and quantity acceptance means ascertaining the conformity of the type and number of the delivered products with the contract (the order) or the invoice and the technical condition assessment in connection with defects possible for finding without installation and putting the product into operation. -----

4.5. The Seller should be immediately informed about the defect of the product that is different than specified in item 4.4. and item 4.6. of OWS and this defective product should be sent to the Seller in the way agreed with the Seller. The Seller bears the costs connected with the delivery of the product on condition that the complaint has been recognized as being justified. A complaint notification form should be accompanied by a copy of a purchase invoice and a complaint protocol that contains a detailed description of the defect with the indication of the date and place of revealing the product defect. -----

4.6. The Seller bears no responsibility for the product defect as a result of: -----

- the use and exploitation of the product inconsistent with its purpose, documentation, the Seller's recommendations and general technical knowledge including the case of exceedence of technical parameters given in suitable catalogue cards and instructions for use; -----

- improper installation or maintenance; ----
- unsuitable product selection, inconsistent with product documentation, the Seller's recommendations or good engineering training; -----

- transport or unloading at the Purchaser's premises (or an actual recipient); -----

- making alterations and modifications without the Seller's consent; -----

- removing defects without the Seller's consent by entities other than the Seller including the situation when the Purchaser has defects repaired. -----

4.7. Making any alterations or repairs of the product by the Purchaser without the Seller's consent shall cause the loss of rights resulting from the guarantee and warranty. -----

4.8. The Seller is responsible under the rules specified in OWS or other rules only for the actual damage caused by his fault, connected with the performance of obligations resulting from a given order (the contract), to the amount that is equal to the price of the goods in relation to the contract (an order) that has not been performed or has been improperly performed by the Seller. -----

4.9. Obligations as to the guarantee and warranty are only realized in Poland. -----

4.10. The Seller can perform guarantee obligations in other ways than are mentioned in item 4.2. of OWS by agreement of the parties. -----

5. Some provisions on performance of the contract. -----

5.1. The Seller provides transport of the finished product at his own cost and risk. The risk of casual damage or loss of the finished product (and its package) is transferred to the Purchaser at the moment

of starting the loading or from the day following the day, in which the order was supposed to be fulfilled depending on which of indicated circumstances will take place earlier. The parties can specify differently the way of transport of the product to the Purchaser, in particular they agree on the courier transport company. ---

5.2. If the ordered products should be delivered by a definite carrier, the Purchaser should put such information in the order mentioned in item 3.1 of OWS. --

5.3. The Seller shall prepare and pack the product for transport unless the requirements of the Purchaser are in excess of generally accepted standards in transport. Otherwise, the Purchaser shall prepare and pack the product. -----

5.4. The Seller at the moment of the product acceptance submits WZ warehouse document for being signed by the person authorized by the Purchaser. This person is obliged to set down a signature. A completed letter of consignment (CMR) in accordance with the regulations in force is equivalent to the signature of the person authorized by the Purchaser on WZ document. -----

5.5. Unilateral offsetting of claims between the parties is not permissible subject to item 6.3. of OWS. -----

5.6. Partial or complete performance of the contract by the Seller have no influence on any intellectual property rights connected at least indirectly with the product, specifically on copyrights and related ones as well as industrial property rights belonging to the Seller. -----

6. Termination of the contract. Possibility of hindrance in the performance of the obligation. --

6.1. The parties can terminate the contract mentioned in item 1,1. of OWS anytime by a written agreement. -----

6.2. The Seller has the right to withdraw from the contract: -----

- if there is no advance payment mentioned in item 2.3. of OWS within 14 days from its deadline, the statement of withdrawal from the contract can be submitted within 3 months from the moment the

circumstances that explain the withdrawal happen, -----

- if the Purchaser does not deliver the information necessary to perform the obligation regardless of the Seller's notification, the statement of withdrawal from the contract can be submitted within 3 months from the moment of the notification of deficiencies, -----

- if the Purchaser delays the payment for the product resulting from any contract concluded between the parties by more than 4 weeks, the statement of withdrawal from the contract can be submitted within 3 months from the moment the circumstances that explain the withdrawal happen, -----

6.3. In situations provided for in item 6.2 of OWS and irrespective of deadlines for submission of the statement of withdrawal from the contract, the Seller has the right to hinder the performance of the obligation resulting from the contract connected with the existing circumstance or other contract between the parties at the Purchaser's cost and risk, without the Purchaser's right to compensation for losses. -----

6.5. The Purchaser has the right to withdraw from the contract if the Seller delays the performance of the obligation and 2 months have passed since the order fulfillment time mentioned in item 3.5. of OWS. The statement should be submitted within 2 months from the moment the circumstances that explain the withdrawal happen. The statement of withdrawal from the contract shall be null and void unless made in writing. -----

7. Final and transitional provisions -----

7.1. The OWS applies to contracts mentioned in item 1.1. of OWS concluded after the date of OWS publication on the website of the Company at the address www.fena.pl. Any changes of OWS require the information in the way specified in item 7.1. of OWS for its validity. -----

7.2. The Company puts the information about OWS publication in all commercial

documents directed at the specified entrepreneur. The original, up-to-date and signed copies of OWS are also in the head office of the Company. At the request of the entrepreneur, the Company provides him/her with a xerox copy of OWS original currently in force immediately at the indicated address. -----

7.3. The governing law for contacts mentioned in item 1.1. of OWS is the Polish law, appropriate regulations of which apply in matters not settled separately in OWS or between parties. -----

7.4. In the case of doubts OWS should be treated as an objection against the possibility of establishing contractual relations presented by contracting parties of the Company. -----

7.5. The court of local jurisdiction to resolve disputes resulting from the construction and performance of contracts mentioned in item 1.1. of OWS, including provisions of OWS, is the court having jurisdiction over the Seller's seat. -----

Katowice on 1st June 2009. -----
President of the Board – Jan Rdest -----

I hereby certify the conformity of the above translation with the presented document in the Polish language. -----
Gostyń, 7th June 2009 -----

Fee was charged in accordance with the ordinance of the Minister of Justice of 24th January, 2005 concerning fee for sworn translators, Rep. no. 546/09 -----