

GENERAL TERMS AND CONDITIONS OF PURCHASE AND SALE in the Republic of Poland

1. General provisions.

These general terms and conditions shall be binding upon the parties to the sales contract and shall be applied independently and in the first place before any other terms and conditions not confirmed by the Seller and before provisions of commonly binding legal regulations, the application of which is not obligatory and which have not been expressly referred to by the Seller in these terms and conditions.

2. Subject matter and scope of the contract.

The prices and information given in catalogues, brochures and price lists are indicative only and are binding for the Seller only if he confirms their validity. The Seller reserves the right to make any changes, in particular to: technical data, arrangement, shape, colour and material of the goods presented or described in printed advertising. The actual technical conditions are contained in the Technical and Operation Documentation (DTR) or User Manual enclosed with the goods.

3. Sale performance.

3.1 Law of contract.

Every order implies the conclusion of a contract. In cases not regulated by the contract, the provisions of the Civil Code and customs commonly applied in trade shall apply, unless they contradict the provisions of these conditions. These terms and conditions of sale shall apply in any case, regardless of other provisions that may be included in the Buyer's order. The obligations imposed on the Seller may only result from obligations confirmed in writing or set forth in these general terms and conditions.

3.2 Verbal commitments of an authorised representative of the Seller become provisions of the contract if confirmed in writing by the Seller.

4. Prices and payment terms.

4.1 The price and terms of payment are specified in the VAT invoice. The price including tax shall be payable within 14 days of the invoice date or within a contractually agreed time limit regardless of whether the Buyer, duly notified of the date of collection, has collected the goods. Any delay in payment shall give rise to a default on the part of the Buyer.

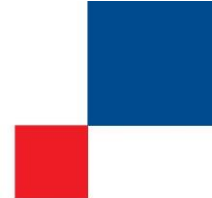
4.2 Delay in payment. In case of a delay in payment, the debtor shall pay the statutory interest for the delay or a contractual penalty if such a penalty has been provided for by the parties.

5. Issue of goods, shipping.

5.1 The goods shall be released in the Seller's seat or warehouse to an authorised representative of the Buyer.

5.2 At the request of the Buyer, goods may be sent via a carrier. In this case the Buyer shall be obliged to check the condition of the consignment upon receipt of the goods and in the presence of the carrier's representative. Any inconsistencies of the goods/damages shall be written down in the presence of the carrier's representative on the damage report being the basis for claiming damages from the carrier. Failure to write the report shall result in the Buyer assuming the risk of liability for damage to the goods.

5.3 In case of the Buyer's delay in collecting the goods, the Seller shall charge 0.01% of the goods price for each day of delay.



6. Time limits.

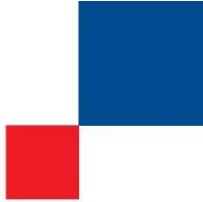
- 6.1 If the goods are to be delivered within the time limits agreed upon by the Parties, the Seller shall be released from any liability for delay if it occurred not due to his fault but due to force majeure or reasons beyond his control that he could not foresee. By force majeure the parties shall understand: lockout, strike, epidemic, war, embargo, decisions of relevant administrative and self-government authorities, fire, flood, equipment failure. By the term "causes beyond the Seller's control" the Parties shall understand, among others, interruption or delay in delivery of raw materials, energy and components as well as other sudden, unforeseen circumstances beyond the Seller's control.
- 6.2 If the Seller is in default, the Buyer may claim damages only if they have been provided for in this respect.
- 6.3 If the Purchaser delays the receipt of goods more than 10 days from the date specified in the notice of placing the goods at his disposal, the Seller may withdraw from the contract. If the Seller does not withdraw from the contract, the agreed price may be increased by the costs of storage.

7. Reservation of ownership.

- 7.1 The Seller shall retain the ownership of the goods until the price and additional costs have been paid in full. The Seller shall have the right to demand surrender of the goods which have not been paid for by the Buyer within the agreed term, regardless of whose possession the goods are. The goods shall be released at the expense of the Buyer.
- 7.2 If the contractual goods sold with reservation of ownership are processed or incorporated, they shall become a security for the Seller's claims until the amount due has been paid in full.
- 7.3 The Buyer may not refuse the release of goods being the property of the Seller.

8. Liability.

- 8.1 Damage caused as a result of:
- wear and tear of consumables and spare parts,
 - using the product contrary to the Technical and Operation Documentation / User Manual,
 - fault (negligence) of the user or the person responsible for operation and maintenance of the goods,
 - installation in the device (goods) or connection to it of parts or devices not approved or recommended by the manufacturer,
 - normal wear of the goods resulting from operating conditions,
 - modifications or alterations made to the device (goods) without the manufacturer's prior written consent,
 - repairs or dismantling of the device (goods) by a person or plant not authorized by the manufacturer,
 - damage during transport shall not constitute defects.
- 8.2 In no case shall the Seller be liable for any damages other than those expressly granted in these terms and conditions of sale, despite their validity for the Buyer, and any liability for titles not expressly granted in these terms and conditions shall be excluded.
- 8.3 The parties exclude liability on all grounds for:
- air and oil filters,
 - light bulbs and fuses,
 - v-belts and toothed belts,
 - oil separators,



- any filter cartridges,
- other parts that have worn out under conditions not recommended by the manufacturer in the Technical and Operation Documentation / User Manual,
- valves.

9. Warranty.

9.1 Defects covered by the warranty.

The Seller undertakes to repair damage caused by defects inherent in the goods, except for those caused by the circumstances specified in section 8.1 or force majeure. The warranty does not apply to the parts referred to in section 8.3

9.2 Duration of the warranty.

The warranty is granted for a period of 12 months (for brand new equipment) from the date of sale, unless a longer period is specified in the Warranty Book or in the Contract.

9.3 The warranty covers:

- free of charge repair or replacement of parts found to be defective (replacement of parts listed in section 8.3 takes place at the user's expense),
- repair within 14 working days from the date of delivery of the equipment (goods) to the manufacturer or an authorised service centre or leaving the goods at the disposal in the place of operation of the equipment,

9.4 In case when a defect of an object of sale is not covered by a guarantee, the Seller shall send a chargeable repair offer to the Buyer. Failure to accept the offer entitles the Seller to return the device to the Buyer, at his expense, within 2 weeks after the expiry of the offer.

10. Reservation of ownership.

10.1 The Seller shall retain the ownership of the goods until the price and costs have been paid in full.

10.2 The guarantee shall be extended by the time of repair in the service point or by the time from reporting a failure until its removal by the service in the place of operation.

10.3 Warranty coverage. The warranty applies only to goods manufactured and/or sold by Przedsiębiorstwo Produkcji Sprężarek AIRPOL sp. z o.o. with its registered seat in Poznań or sold by the manufacturer's authorised agents and used within the territory of the Republic of Poland.

10.4 Loss of warranty rights shall occur for the reasons specified in section 8.1, in the case of failure to carry out the mandatory inspections, lack of current entries in the Warranty Book - Operational Part.

10.5 Costs of travel of the service in case of not accepting claims under the guarantee shall be borne by the claimant.

11. Form of declarations of will and disputable issues.

Any changes to the content of this agreement and declarations of will must be made in writing or else they shall be null and void. The written form shall be understood as: letter, e-mail, fax. A person signing under a company stamp or acting on the basis of a written authorisation shall be deemed to be authorised to make declarations of will on behalf of the Buyer. Disputes will be settled by the competent court in Poznań.