

Chełmno, 15th December 2016

**STATEMENT OF THE MANAGEMENT BOARD
OF FAM - TECHNIKA ODLEWNICZA SP. Z O.O. IN CHEŁMNO**

Dear Sir or Madam,

In connection with our learning that MEDOS Marian Buławka, Ewa Buławka Spółka jawna in Chełmno are disseminating information that our claims relating to the infringing of industrial property rights directed by FAM to MEDOS and its subcontractors are unfounded, we give our explanation below.

FAM's claims are the consequence of an absolute and final closing of long-lasting litigation proceedings before the Patent Office and the administrative Courts concerning the invalidation of the protection right to the industrial design "Klameczka okienna kompletna" (Complete window handle) obtained by MEDOS " (Right No. Rp. 12796) and the "Klameczka jednoramienna trzpieniowa" (Single-armed pin handle) (Right No. Rp. 13284).

On the strength of the decisions of 6 May 2011 and 12 June 2014, the Patent Office invalidated MEDOS's rights deriving from the registration of industrial designs, because they infringed the copyright property rights to the industrial design "Klameczka z patentem" (Handle with patent) held by FAM, recognising at the same time, that MEDOS's right obtained from the registration of the industrial design "Klameczka jednoramienna trzpieniowa" (Single-armed pin handle) was devoid of originality because, before the application by MEDOS for the protection of the design, FAM had already made public the same industrial design as the design "Część chwytowa klamki" (Grip of the handle) (Right No.: Rp. 6552).

Both decisions were challenged by MEDOS in the Administrative Courts and in both cases MEDOS lost - the last judgement was issued by the Supreme Administrative Court on 31 May 2016. Owing to the above, the mentioned decisions are absolute and final. Along with this Statement, we provide you with the most important documents, confirming the state of affairs summarised above.

It should be emphasised that the expert opinion distributed by MEDOS does not matter in the case and does not prejudice the lack validity of FAM's claims, as has been mentioned by both the Polish Patent Office in the grounds for the final decisions made available to you (last paragraph on p. 11, and further on p. 12 in the grounds for the decision of 12.06.2014) as well as in the Supreme Administrative Court ruling in this matter (p. 11, last paragraph of the judgement of 31.05.2016.). The charges of the alleged statute of limitations of the claims are also misconceived: after the judgement of 31 May 2016, MEDOS, being aware of the final invalidation of the rights from the registration of the industrial design, still markets products identical to FAM's products which are protected. The period of limitation starts separately for each infringement. It is essential in legal terms that each individual offer and marketing of illegal copies is a separate violation of somebody else's rights, in this case the rights held by FAM.

MEDOS's claim that FAM has tolerated the existing state of affairs for years is also groundless. First of all, since 2009, proceedings brought by FAM to the Patent Office and courts of successive instances against MEDOS have been pending. To date, FAM has not put forward any property claims against anyone in connection with this matter only because of the fact that the dispute as to the right deriving from the registration of the industrial design has not yet been finally settled.

Yours faithfully,

**The Management Board
FAM - Technika Odlewnicza Sp. z o.o.**