

## **MANAGEMENT BOARD BY-LAWS**

### **QUMAK-SEKOM S.A. with headquarters in Warsaw**

#### **I. GENERAL RESOLUTIONS**

##### **§ 1**

QUMAK-SEKOM's S.A. Management Board with headquarters in Warsaw, hereby referred as "the company", acts in accordance with the Commercial Law, the Company's Status and in this by-laws.

##### **§ 2**

1. The Management Board shall manage the affairs of the Company headed by the President of the Management Board and shall represent the Company.
2. The Company Management Board shall be responsible for taking all decisions which have not been reserved for other governing bodies by virtue of the Code or the Company's Statutes.

##### **§ 3**

The Management Board shall be composed of 2 to 5 members including the President of the board, one or more Vice-presidents and the Management Board members.

#### **II. THE MANAGEMENT BOARD BY-LAWS**

##### **§ 4**

Special Management Board resolution is required:

1. incur by the Company loans, bounds, lease agreements and long-term loans (means credit period longer than 12 months) with the value greater than PLN 1.000.000,00, and in case if such a liability would be greater than the greater of the amounts PLN 3.000.000,00 or 15% of Company's net assets pointed in the last Company's balance sheet, the Management Board will present the appropriate application to the Supervisory Board.
2. other business entities stocks, shares and bounds purchase and also the other form of any Company's participation in other entities, if the transaction value is greater than PLN 1.000.000,00, the Company's Management Board is obligated to present the appropriate application to the Supervisory Board.
3. the company's assets disposal, that the value is greater than 10% of the Company's net assets value pointed in the last balance sheets or PLN 1.000.000,00, simultaneously in such case the Management Board is obligated to present the appropriate request to the Supervisory Board.

##### **§ 5**

1. Sale, order offer making, buy-sell agreement making or sell agreement related with the Company's activities with the value greater than PLN 3.500.000,00 requires at least two Management Board members or one Management Board member and the person entitled to act on behalf of the Company base of the special authority acceptance.
2. To make declarations of will and sign for and on behalf of the Company are also authorized persons acting on base of the power of attorneys granted by the Management Board. The general power of attorneys can be granted up to PLN 1.000.000,00, at offers and sell agreements related with Company's activities and up to PLN 500.000,00 in so far as trade goods and semi-finished products purchase in one transaction. The management Board resolution is required upon the case of the content and the scope of the warrants granted.

3. The Management Board members may grant special authorities (for example: to make an offer in particular bidding) in the range of their competence pointed in the warrants granted to particular Management Board members.

## § 6

1. The Company's Management Board is responsible for Company's current issues.
2. Every kind of cases in the range of Company's management, not restricted by the law or the Company's Charter for the Supervisory Board and/or Shareholder General Meeting are within the Management Board jurisdiction. Those are in particular:
  - 1) determining the strategy for the Company's development;
  - 2) adopting the Company's plans necessary for right operating and making the division of the tasks among Management Board members.
  - 3) division of the tasks among the Company's employees, their realization supervision
  - 4) adopting the Corporate Organization By-Laws and others necessary for right Company's operating regulations
  - 5) convening Annual and Extraordinary General Meetings of Shareholders in pursuance of the provisions of law and the Statutes and preparing the agenda of these meetings.
  - 6) inferring and rendering the reports and statements, opinions and others necessary documents upon cases requiring their resolution.
  - 7) Company's current year financial statements preparing and submission it after investigating it by the expert auditor with the written business report to the authoritative authorities.
  - 8) making and receiving declarations of intent on behalf of the Company;
  - 9) granting and revoking powers of attorney;
  - 10) granting permanent powers of attorney to represent and act on behalf of the Company ("*procuration*");
  - 11) representing the Company in the Court and outside the Court, including appear for the Company ahead of authorities, offices, institutions and third parties including the agreements making.
  - 12) appointing and recalling the Company's branch directors;
  - 13) managing the Company's property on a current basis;
  - 14) preparing Company's Year budget
  - 15) implementing the General Meeting's and the Supervisory Board's resolutions
  - 16) registered shares book and temporary certificates keeping or outsourcing it to the bank or brokerage house.
  - 17) corporate governance in entities that the company is a shareholder.

## § 7

1. The Management Board shall operate as a collegiate body and its resolutions shall constitute legal basis for execution of its decisions by the President, members of the Management Board and the Director of the Head Office.
2. Each member of the Management Board shall have the right and the duty to manage the affairs of the Company. Matters that do not exceed the scope of ordinary management of the Company may be dealt with by any member of the Management Board without a prior resolution of the Management Board.
3. Each member of the Management Board may object to a certain matter being dealt with by another member of the Management Board or to the manner of dealing with such a matter and may demand that a meeting of the Management Board devoted to this issue be called.
4. The ordinary management of the Company shall involve managing the overall affairs of the Company as well as such legal and factual actions undertaken by the Management Board that should be carried out under regular circumstances in order to properly discharge the Company's duties.
5. Matters exceeding the scope of ordinary management of the Company and matters objected to by any member of the Management Board shall require passing a resolution at a Management Board meeting.
6. Moreover the Management Board's resolutions are required to:
  - 1) the Supervisory Board manning of the subsidiaries,
  - 2) Company's organization structure and the by-laws establishment,

- 3) remuneration by-laws establishment,
- 4) Company's growth strategy establishment,
7. In matters pointed in § 6 section 2 point 2, 4-6, 9, 10, 12, 14, and § 7 section 3, the Management Board's resolution is necessary.

### **§ 8**

1. Resolutions of the Management Board shall be adopted by a simple majority of votes cast in favor of the resolution in participation of at least half of the Management Board.
2. In case of an equal division of votes for and against adopting a resolution, the President of the Management Board shall have a casting vote.

### **§ 9**

1. Each meeting of the Management Board shall be minuted.
2. The Minutes shall contain: the agenda, names and surnames of attending members of the Management Board, number of votes cast in favor of particular resolutions and dissenting opinions.
3. Minutes shall be signed by the chairman of the meeting.
4. The Head Office shall keep the book of minutes

### **§ 10**

1. In the event of a conflict of interests arising between the Company's interests and personal interests of any Management Board's member, the member's spouse or relative by blood or affinity up to a second degree as well as persons with whom the Management Board's member has personal relationship, such Management Board member shall refrain from settling such issues and may demand that such event be mentioned in the Minutes.

## **III. MEETINGS OF THE MANAGEMENT BOARD**

### **§ 11**

1. The Management Board shall fulfill its duties by way of meetings and by adopting resolutions regarding to management of the Company's affairs and the performance of powers.
2. Meetings of the Management Board shall be held at least once a month.
3. Meetings of the Management Board may be convened by the Chairman upon his or the Management Board member initiative.
4. Meetings of the Management Board may be also convened upon initiative of the Supervisory Board or its Chairman.
5. Meetings of the Management Board are convened at least 3 days prior to the date of the meeting (unless all members of the Board agree to forego such a requirement) each time noticing by the way of means of direct communication over distance.
6. The President of the Management Board shall set the agenda and shall deliver it to the members of the Management Board, together with the notice convening the meeting, with compliance with point 4 above.
7. Each member of the Management Board may request that a particular matter be placed on the agenda of the meeting. The President of the Management Board shall obey this request.
8. A meeting shall be valid if the conditions set forth in paragraph 4 have been met. A Member of the Management Board who cannot attend the meeting may submit his written position on matters referred to in the notice. It is equivalent to the vote cast in the voting.
9. The Management Board may adopt resolutions by the way of means of direct remote communication over distance without the meeting, provided that each member of the Management Board will attend the voting.
10. In such a case the President of the Management Board way of means of direct communication over distance submits the Management Board members the management board's resolution drafts.

11. The Management Board written resolutions off the meeting come into effect at the moment of receive the final written stand signed and delivered by the Supervisory Board Members by the Management Board members.

12. The Management Board may make a resolution using means of direct remote communication (such as: chat, teleconference, etc.). The Management Board chairman or other entitled board member, pass others the resolution's articles.

13. In such case the Management Board Chairman makes a written resolution draft and notes votes for/against this resolution cast by each Management Board Member. Thereafter, after the votes were counted informs the Board Members if the resolution was adopted.

### **§ 12**

1. The President of the Management Board shall direct the work of the Management Board, chair its meetings and co-ordinate fulfillment of tasks allotted to other Management Board members.

2. The scope of the President's tasks shall include:

1) supervising the work of the Head Office;

2) submitting reports and putting forward requests, on behalf of the Management Board, at meetings of the Supervisory Board and General Meetings of Shareholders;

3) settling any disputable matters related to the Company's activity, which are not reserved for collegiate decisions of the Management Board, the Supervisory Board or the General Meeting of Shareholders.

### **§ 13**

In the event of a temporary inability to fulfill his duties, the President of the Management Board shall be substituted by the entitled in writing Management Board member.

### **§ 14**

1. Members of the Management Board shall supervise the work of the Head Office, to the extent of tasks entrusted to such members, and shall control the course of implementation of resolutions of the Management Board and the Supervisory Board in those areas.

2. Members of the Management Board shall take decisions as regards the scope of matters not reserved for the Management Board or for the President of the Board.

3. The Management Board's office stores the documents of the Management Board and the Supervisory Board.

### **§ 15**

1. The President acting on his own initiative or upon request of other Management Board member shall have the right to invite other persons with an advisory voice but without the right to vote to Management Board meetings.

2. A Management Board member shall have the right to object to non-members attending the Management Board meeting.

### **§ 16**

1. The Management Board is obligated to prepare the protocol of transfer. This protocol shall be signed by all members of the current and upcoming Management Board.

2. A new Management Board shall be required to file the names and surnames of new Management Board members with the registry court.

3. In the event of call-off or not call for another term in office the Management Board member, that person is obligated to prepare the protocol of transfer. This protocol shall be signed by the outgoing Management Board member and the other Management Board members.

## § 17

### III. THE POWERS DIVISION

1. Within the current range of Company's activities the Management Board members share the responsibilities for managing the respective fields of Company's activity.
2. The Management Board resolution is required upon the case of the competences set and change.