

# STATUE OF A JOINT STOCK COMPANY

## GENERAL PROVISIONS

### § 1

#### Business Name

The Company shall operate under the business name “EUROCASH” Spółka akcyjna. The Company may use the abbreviated name “EUROCASH” S.A. and a distinguishing graphic mark.

### § 2

#### Activity

1. In accordance with the Polish Classification of Business Activities (the Polish abbrev.: “PKD”) the Company’s business shall comprise:
  - (1) 10.39.Z - Other fruit and vegetable processing and preserving,
  - (2) 10.71.Z - Production of bread; production of fresh cake products and small cakes/pastries,
  - (3) 10.72.Z - Production of rusks and biscuits; production of preserved cake products and small cakes/pastries,
  - (4) 10.85.Z - Production of ready-made meals and dishes,
  - (5) 10.89.Z - Production of other foodstuffs, not classified elsewhere,
  - (6) 45.31.Z - Wholesale of motor vehicle parts and accessories, excluding motorbikes,
  - (7) 45.32.Z - Retail sale of motor vehicle parts and accessories, excluding motorbikes,
  - (8) 46.17.Z - Activity of agents involved in the sale of food, beverages and tobacco products.
  - (9) 46.18.Z - Activity of agents specializing in the sale of certain other goods,
  - (10) 46.19.Z - Activity of agents engaged in the sale of a variety of goods,
  - (11) 46.31.Z - Wholesale of fruit and vegetables,
  - (12) 46.32.Z - Wholesale of meat and meat products,
  - (13) 46.33.Z - Wholesale of milk, dairy produce, eggs and edible oils and fats,
  - (14) 46.34.A - Wholesale of alcoholic beverages,
  - (15) 46.34.B - Wholesale of other beverages,
  - (16) 46.35.Z - Wholesale of tobacco products,
  - (17) 46.36.Z - Wholesale of sugar, chocolate, confectionery and bread products,
  - (18) 46.37.Z - Wholesale of tea, coffee, cocoa and spices,
  - (19) 46.38.Z - Wholesale of other food, including fish, crustacea and molluscs,

- (20) 46.39.Z - Non-specialized wholesale of food, beverages and tobacco products,
- (21) 46.43.Z - Wholesale of electrical household goods,
- (22) 46.44.Z - Wholesale of china, ceramics, glassware and cleaning materials,
- (23) 46.45.Z - Wholesale of perfumes and cosmetics,
- (24) 46.46.Z - Wholesale of pharmaceutical and medical products,
- (25) 46.47.Z - Wholesale of furniture, carpets and lighting equipment,
- (26) 46.48.Z - Wholesale watches, clocks and jewellery,
- (27) 46.49.Z - Wholesale of other household goods,
- (28) 46.73.Z - Wholesale of wood, construction materials and sanitary equipment,
- (29) 46.75.Z - Wholesale of chemical products,
- (30) 46.76.Z - Wholesale of other semi-products,
- (31) 46.90.Z - Non-specialized wholesale,
- (32) 47.11.Z - Retail sale in non-specialized stores with food, beverages and tobacco products predominating,
- (33) 47.19.Z - Other retail sale in non-specialized stores,
- (34) 47.21.Z - Retail sale of fruit and vegetables in specialized stores,
- (35) 47.22.Z - Retail sale of meat and meat products in specialized stores,
- (36) 47.23.Z - Retail sale of fish, crustacea and molluscs in specialized stores,
- (37) 47.24.Z - Retail sale of bread, cakes, cake products and confectionery products in specialized stores,
- (38) 47.25.Z - Retail sale of alcoholic and other beverages in specialized stores,
- (39) 47.26.Z - Retail sale of tobacco products in specialized stores,
- (40) 47.29.Z - Retail sale of other food products in specialized stores,
- (41) 47.41.Z - Retail sale of hardware, peripherals and software in specialized stores,
- (42) 47.42.Z - Retail sale of telecommunications equipment in specialized stores,
- (43) 47.43.Z - Retail sale of audiovisual equipment in specialized stores,
- (44) 47.51.Z - Retail sale of textiles in specialized stores,
- (45) 47.52.Z - Retail sale of small metal products, paints and glass in specialized stores,
- (46) 47.53.Z - Retail sale of carpets, runners and other floor covers and wall covers in specialized stores,
- (47) 47.54.Z - Retail sale of electrical household appliances in specialized stores,
- (48) 47.59.Z - Retail sale of furniture, lighting equipment and other household goods in specialized stores,
- (49) 47.61.Z - Retail sale of books in specialized stores,

- (50) 47.62.Z - Retail sale of newspapers and stationery in specialized stores,
- (51) 47.63.Z - Retail sale of sound and audiovisual records in specialized stores,
- (52) 47.64.Z - Retail sale of sporting equipment in specialized stores,
- (53) 47.65.Z - Retail sale of games and toys in specialized stores,
- (54) 47.71.Z - Retail sale of clothes in specialized stores,
- (55) 47.72.Z - Retail sale of footwear and leather goods in specialized stores.
- (56) 47.73.Z - Retail sale of pharmaceutical products in specialized stores,
- (57) 47.75.Z - Retail sale cosmetic and toilet products in specialized stores,
- (58) 47.76.Z - Retail sale of flowers, plants, seeds, fertilizers, livestock and feed for domestic animals in specialized stores,
- (59) 47.77.Z - Retail sale of watches, clocks and jewellery in specialized stores,
- (60) 47.78.Z - Retail sale of other new products in specialized stores,
- (61) 49.41.Z - Freight transport by road,
- (62) 52.10.B - Storage and warehousing of other goods,
- (63) 52.21.Z - Land transport supporting activities,
- (64) 52.24.A - Cargo handling in seaports,
- (65) 52.24.B - Cargo handling in inland ports,
- (66) 52.24.C - Cargo handling in other cargo handling centres,
- (67) 56.21.Z - Preparation and delivery of food to external recipients (catering),
- (68) 56.29.Z - Other catering service activities,
- (69) 58.13.Z - Publishing of newspapers,
- (70) 58.14.Z - Publishing of magazines and other periodicals,
- (71) 58.19.Z - Other publishing activities,
- (72) 58.29.Z - Publishing of other software,
- (73) 59.20.Z - Publishing of sound and music records,
- (74) 62.01.Z - Software-related activities,
- (75) 62.03.Z - Activities related to hardware management,
- (76) 62.09.Z - Other information and computer technology service activities,
- (77) 63.11.Z - Data processing, website management (hosting) and related activities,
- (78) 63.99.Z - Other information-related service activities, not classified elsewhere,
- (79) 64.20.Z - Activities of financial holdings,
- (80) 68.20.Z - Letting and managing own or leased real estate,
- (81) 68.32.Z - Management of real estate on a fee or contract basis (*zlecenie*),
- (82) 69.20.Z - Accounting and book-keeping activities; tax consultancy,

- (83) 70.10.Z - Activities of head offices and holdings, excluding financial holdings,
  - (84) 70.21.Z - Public relations and communication,
  - (85) 70.22.Z - Other business and management consultancy,
  - (86) 73.20.Z - Market research and public opinion polling,
  - (87) 74.10.Z - Activities related to specialist design,
  - (88) 74.90.Z - Other professional, scientific and technical activities, not classified elsewhere,
  - (89) 77.40.Z - Renting of intellectual property and related products, excluding copyrighted works,
  - (90) 81.10.Z - Auxiliary activities related to keeping the buildings in order,
  - (91) 82.91.Z - Activities of agencies involved in financial settlements (*agencje inkasa*) and of credit offices,
  - (92) 82.99.Z - Other business supporting services, not classified elsewhere,
  - (93) 96.09.Z – Other service activities, not classified elsewhere,
  - (94) 62.02.Z - Activities related to information technology consulting,
  - (95) 62.01.Z - Activities related to software,
  - (96) 62.03.Z - Activities related to hardware management,
  - (97) 62.09.Z - Other activities related to information and computer technology.
2. Should any of the aforementioned activities require a permit or a license of the relevant authority, the Company shall commence such activity once such permit or license has been obtained.

### **§ 3**

#### **Duration and Financial Year of the Company**

- 1. The Company is established for an unspecified period.
- 2. The financial year of the Company shall be the calendar year.

### **§ 4**

#### **Registered Seat**

The Company shall have its registered seat in Komorniki near Poznań.

### **§ 5**

#### **Area of Operations**

- 1. The Company may conduct its business in the territory of the Republic of Poland and abroad.
- 2. The Company may conduct business in the areas defined by the subject-matter of its activity, individually or with participation of third parties. In particular, the Company

may create its subsidiaries in Poland and abroad and hold shares in other companies in Poland and abroad.

## **COMPANY SHARE CAPITAL AND SHARES**

### **§ 6**

#### **Share Capital and Shares. Shareholders**

1. The share capital of the Company shall amount to PLN 139,163,286 (one hundred thirty nine million one hundred sixty three thousand two hundred eighty six zlotys and zero groszys) and shall be divided into:
  - a) 127,742,000 indivisible Series A shares with a nominal value of PLN 1.00 (one zloty) each; Series A shares have been paid for with the assets of the transformed company, i.e. Eurocash Spółka z ograniczoną odpowiedzialnością, pursuant to the provisions of Section 551.1 of the Commercial Companies Code;
  - b) 3,035,550 indivisible Series B shares with a nominal value of PLN 1.00 (one zloty) each; Series B shares have been fully paid for by a cash contribution;
  - c) 2,929,550 indivisible Series C shares with a nominal value of PLN 1.00 (one zloty) each; Series C shares have been fully paid for by a cash contribution;
  - d) 830,000 indivisible Series D shares with a nominal value of PLN 1.00 (one zloty) each; Series D shares have been fully paid for by a cash contribution;
  - e) 537,636 indivisible Series F shares with a nominal value of PLN 1.00 (one zloty) each; Series F shares have been fully paid for by a cash contribution.
  - f) 1,414,900 indivisible Series E shares with a nominal value of PLN 1.00 (one zloty) each; Series E shares have been fully paid for by a cash contribution;
  - g) 997,000 indivisible Series G shares with a nominal value of PLN 1.00 (one zloty) each; Series G shares have been fully paid for by a cash contribution;
  - h) 1,011,000 indivisible Series H shares with a nominal value of PLN 1.00 (one zloty) each; Series H shares have been fully paid for by a cash contribution;
  - i) 183,000 indivisible Series I shares with a nominal value of PLN 1.00 (one zloty) each; Series I shares have been fully paid for by a cash contribution;
  - j) 482,650 indivisible Series M shares with a nominal value of PLN 1.00 (one zloty) each; Series M shares have been fully paid for by a cash contribution.
2. All shares in the Company's share capital are bearer shares. Bearer shares may not be converted into registered shares.
3. Each share carries a right to a pro rata participation in the Company's profits allocated for distribution by virtue of a resolution of the General Shareholders' Meeting as well as to a pro rata participation in the distribution of the Company's assets remaining after liquidation.
4. The Company may issue bonds convertible into shares, bonds with pre-emptive rights and subscription warrants.

**§ 7**  
**Profit Distribution**

1. The shareholders shall have the right to share in any profit disclosed in the audited financial statements and allocated by the General Shareholders' Meeting for distribution to the shareholders.
2. Profit shall be distributed pro rata to the number of shares held.
3. The right to dividend for a given financial year shall be enjoyed by the shareholders who hold shares on the day of adoption of the resolution on the distribution of profit. The General Shareholders' Meeting may set a date as at which the list of the shareholders enjoying the right to dividend for a given financial year shall be determined (dividend record date). The dividend record date shall fall no later than within two months counting from the date of adoption of the resolution on the allocation of profit for distribution to the shareholders. Resolutions changing the dividend record date may only be adopted by the Ordinary General Shareholders' Meeting.
4. The Management Board may pay an interim dividend to the shareholders at the end of a financial year, if the Company has sufficient funds to do so. Any such payment requires the consent of the Supervisory Board.

**GOVERNING BODIES**

**§ 8**  
**Governing Bodies**

The Company's governing bodies shall include the Management Board, the Supervisory Board and the General Shareholders' Meeting.

**§ 9**  
**Management Board**

1. The Management Board shall consist of two to ten persons, appointed by virtue of a resolution of the Supervisory Board for an individual three-year term of office. The Supervisory Board shall appoint, by way of a resolution, one of the Management Board members as the President of the Management Board.
2. Any Management Board member may be removed from office at any time, by a resolution of the Supervisory Board. The Supervisory Board may also remove the President of the Management Board from his/her position of President, without, however, removing that person from the Management Board. Management Board members may also be removed from office or suspended in their duties by the General Shareholders' Meeting.
3. The rules governing the functioning of the Management Board shall be determined in bylaws of the Management Board, to be adopted by the Management Board.

4. Members of the Management Board shall receive remuneration on terms and in amounts specified in a resolution of the Supervisory Board.

## **§ 10 Representation**

Two Management Board members acting jointly or one Management Board Member acting jointly with a proxy shall have the right to submit declarations of will, take legal actions and sign documents on behalf of the Company.

## **§ 11 Management Board Resolutions**

Unless this Statute of the Company provides otherwise, resolutions of the Management Board shall be adopted by a simple majority of votes.

## **§ 12 Granting and Revoking the Power of Proxy. Powers of a Proxy**

1. The power of proxy may be granted in writing, by way of an unanimous resolution of the Company's Management Board.
2. The power of proxy may be revoked at any time by a written statement addressed to the holder of the power of proxy and signed by any of the Management Board Members.
3. The powers of a proxy may be defined in the resolution referred to in point 1, in compliance with the provisions of law.

## **§ 13 Supervisory Board**

1. The Supervisory Board shall consist of 5 (five) members, including the Chairman of the Supervisory Board. The Chairman of the Supervisory Board shall be appointed by virtue of a resolution of the Supervisory Board. The Supervisory Board Members, including those appointed in accordance with Article 385 Par. 3 of the Polish Companies Act, should meet the criteria set forth by the Supervisory Board in the appendix to the by-laws of the Supervisory Board and approved by the General Shareholders' Meeting.
2. If Politra B.V., with its registered office in Amsterdam, a company organized and existing under the laws of the Netherlands (or its successors in law) is a shareholder holding 30% or more shares in the Company's share capital, it will have the right to appoint and dismiss three (3) members of the Supervisory Board. In particular, Politra B.V. shall remove any of the Supervisory Board Members appointed by it, if it is proved and confirmed by a Supervisory Board resolution that such member fails to meet the criteria referred to in point 1 above. 1 (one) of the Members of the Supervisory Board appointed and removed by Politra B.V. shall meet the criteria of an "independent Member of the Supervisory Board" within the meaning of Section 4 below. The remaining Members of the Supervisory Board appointed and removed by

- Politra B.V. may become independent members of the Supervisory Board after submitting a representation that they meet the criteria specified in the sentence above.
3. Two Members of the Supervisory Board shall be appointed and removed by the General Shareholders' Meeting; during any such General Shareholders' Meeting Politra B.V. shall not be entitled to vote on the resolutions concerning the appointment or removal of these members. However, Politra B.V. shall be entitled to vote on the resolutions concerning the appointment of the Members of the Supervisory Board, if the General Shareholders' Meeting, acting in accordance with the preceding sentence of this point, fails to elect the 2 (two) Members of the Supervisory Board. Furthermore, Politra B.V. shall have the right to vote on resolutions concerning the removal of any of the Supervisory Board Members elected by the General Shareholders' Meeting if it is proved and confirmed by a Supervisory Board resolution that a given member fails to meet the criteria referred to in point 1 above or the criteria of being an "independent member of the Supervisory Board" referred to in point 4.
  4. The Supervisory Board members who are appointed and removed by the General Meeting shall be free from any connections which could have a material effect on such independent member's ability to take impartial decisions. In particular, a person who meets the criteria of independence stipulated in Attachment II to the "Recommendation of the European Commission dated February 15, 2005 concerning the role of nonexecutive directors or directors being members of the supervisory board of a stock exchange company or a supervisory board commission" may be deemed to be "an independent member of the Supervisory Board" within the meaning of the preceding sentence. Notwithstanding the provisions of point b) of the Attachment referred to in the preceding sentence, a person being an employee of the company, its subsidiary or related entity shall not be deemed to meet the criteria of independence referred to in this Attachment. The attribute of independence referred to in the first sentence of this Section shall exclude the actual and material connections between such person and a shareholder entitled to exercise 5% and more of the total number of the votes at a General Meeting.
  5. Members of the Supervisory Board shall be appointed for a joint three-year term of office, except that the first joint term of office of the Members of the Supervisory Board appointed on October 13, 2005 or to be appointed before December 31, 2006 shall expire on the day of the General Shareholders' Meeting which will approve the financial statements for 2008. In case a member of the Supervisory Board dies, resigns or is dismissed before the end of the foregoing joint three-year term of office, or before the day of the General Shareholders' Meeting which will approve the financial statements for 2008 as the case may be, a term of office of a new member of the Supervisory Board, appointed in lieu of the Member the Supervisory Board who died, resigned or was dismissed shall expire with the expiry of the term of office of the remaining Members of the Supervisory Board.
  6. Removal of a Member of the Supervisory Board from office by the General Shareholders' Meeting shall be effective only if a new Member of the Supervisory Board is simultaneously appointed.
  7. Any Member of the Supervisory Board may resign from his/her position on the Supervisory Board by a six weeks' written notice to the Company and Politra B.V. If the resignation is submitted by a Member appointed by Politra B.V., Politra B.V. shall be obliged to immediately appoint a new Member of the Supervisory Board. If the



- resignation is submitted by a Member appointed by the General Shareholders' Meeting, the Management Board shall be obliged to immediately convene a General Shareholders' Meeting in order to appoint a new Member of the Supervisory Board
8. The Supervisory Board shall adopt its by-laws, which must be approved by way of a resolution of the General Shareholders' Meeting.
  9. Supervisory Board meetings shall be convened via a facsimile transmission and simultaneously, for confirmation purposes, via registered mail. Invitations to Supervisory Board meetings shall be sent to the most recent address of which a Supervisory Board member notifies the Company. Invitations to Supervisory Board meetings shall specify the place, day, hour and agenda of the meeting and be supplemented with draft resolutions, if any. Upon the consent of all the Supervisory Board Members, the Supervisory Board meetings may be convened via an e-mail notice only.
  10. Subject to points 9 and points 11 – 16 below, Supervisory Board resolutions shall be valid if all members of the Supervisory Board had been duly invited to the meeting and the meeting is attended by at least three members of the Supervisory Board. Subject to Art. 388 Par. 2 sentence 2 and Par. 4 of the Commercial Companies Code, Supervisory Board Members may participate in the adoption of Supervisory Board resolutions by casting their vote in writing and passing such vote through another Supervisory Board member.
  11. Resolutions of the Supervisory Board shall be adopted by a simple majority of the votes. In the event of a voting tie, the Chairman of the Supervisory Board shall have the casting vote.
  12. During each financial year, the Supervisory Board shall hold not less than four meetings.
  13. Supervisory Board meetings may be also held without having been formally convened and shall be capable of adopting resolutions if all members of the Supervisory Board are present and none of them objects to holding the meeting so convened or including any given issue on the agenda of the meeting.
  14. Subject to Art. 388 Par. 4 of the Commercial Companies Code, resolution of the Supervisory Board may also be adopted by votes cast in writing or through means of instantaneous communication. In such cases draft resolutions shall be presented to all Members of the Supervisory Board by the Chairman of the Supervisory Board or, in his/her absence, by another Member of the Supervisory Board. The provisions of point 9 concerning giving of notice of a planned Supervisory Board meeting shall apply accordingly to the presentation of the draft resolutions to be adopted in the manner described in this point 14.
  15. The agenda of the Supervisory Board meeting shall not be changed or amended during the meeting to which it applies, unless:
    - (i) all Members of the Supervisory Board are present at the meeting and all of them agree to change or amend the agenda,
    - (ii) undertaking of necessary actions by the Supervisory Board is necessary in order to protect the Company against damages,

- (iii) the subject of such a resolution is the evaluation of a possible conflict of interests between the Supervisory Board and the Company

Any motions of organisational and technical nature may always be a subject of valid resolution, even if not placed on the agenda.

- 16. If the agenda of a Supervisory Board meeting includes any of the issues listed in Par. 14 Section 4 of the Statute, then the invitation shall concern two subsequent meetings of the Supervisory Board (with the same agenda, place and hour), and the second meeting to be held three business days after the first one, if the first one proves to be incapable of adopting the resolutions referred to in Par. 14 Section 4 of the Statute due to lack of quorum. The second meeting of the Supervisory Board, convened as provided for in the preceding sentence, shall be entitled to adopt valid resolutions without having to comply with the quorum requirement referred to in point 14 Section 4 of the Statute.

## **§ 14**

### **Powers of the Supervisory Board**

- 1. The Supervisory Board shall exercise ongoing supervision over all areas of the Company's business.
- 2. Specific tasks of the Supervisory Board shall include:
  - (i) review and assessment of the Management Board's report on the Company's activities and the Company's financial statements for their consistency with accounting books and documentation as well as the actual state of affairs;
  - (ii) assessment of the Management Board's recommendations concerning the distribution of profit or coverage of loss;
  - (iii) submitting to the General Shareholders' Meeting an annual written report on the results of the assessment referred to above;
  - (iv) appointing and removing as well as suspending, for an important reason, Members of the Management Board;
  - (v) issuing opinions on the planned amendments to the Company's Statute;
  - (vi) approving – not later than by November 30th of each calendar year – annual budgets prepared by the Management Board and amendments to such budgets;
  - (vii) issuing opinions regarding granting of loans or financial assistance as well as concluding agreements with any Member of the Management Board which fall outside the ordinary course of business;
  - (viii) election of the expert auditor to examine the Company's financial statements;
  - (ix) adoption of the uniform text of the Company Statutes;
  - (x) other issues which under the binding legal regulations or other provisions of the Company's Statute require a resolution of the Supervisory Board.
- 3. The following actions of the Management Board shall require the Supervisory Board's consent issued in the form of a resolution:
  - (i) decisions concerning joint-ventures with other entities;

- (ii) decisions concerning mergers with other entities as well as acquisitions of other entities or enterprises;
  - (iii) incurring any liability in excess of PLN 100,000,000 and the encumbrance on the Company's assets with a value in excess of PLN 150,000,000, if such transactions have not been provided for in the annual budget,
  - (iv) sale or lease or transfer of the Company's assets with a value in excess of EUR 15,000,000 or its zloty equivalent, if such a transaction has not been provided for in the annual budget;
  - (v) issuing opinions concerning specification and changing of remuneration and terms of employment of Management Board Members;
  - (vi) creation, issue/delivery, purchase or sale of shares in another subsidiary entity;
  - (vii) creation and modification of any stock option scheme or incentive scheme of a similar nature for the Company's management and employees;
  - (viii) the conclusion by the Company of a material agreement with a related entity within the meaning of regulations on the communication of current and periodical information by the issuers whose shares are quoted on the Stock Exchange in Warsaw S.A., except for typical transactions concluded on market conditions as part of the operating activity conducted by the Company with its subsidiary entity in which the Company is a majority shareholder.
4. Notwithstanding the provisions of § 13 Section 11 and 16 of the Statute, the following resolutions shall be validly adopted only when majority of "independent Members of the Supervisory Board" voted in favour:
- (i) any action by the Company or any of its related entity that causes the benefit for the Members of the Management Board;
  - (ii) election of the expert auditor to examine the Company's financial statements;
  - (iii) issuing opinions regarding granting of loans or financial assistance as well as concluding agreements with any Member of the Management Board which fall outside the ordinary course of business; and
  - (iv) granting the Management Board the approval to limit or waive in full the priority rights (pre-emptive rights) of the Company's shareholders with respect to any of the Company's shares to be issued within the limits of the authorized capital.
5. The Supervisory Board shall perform its supervision duties collectively. By way of a resolution adopted with a simple majority of votes, the Supervisory Board may delegate its particular Members to individually perform specific supervisory tasks.
6. Members of the Supervisory Board shall receive remuneration on terms and in amounts specified in a resolution of the General Shareholders' Meeting.

## **§ 15 General Shareholders' Meeting**

1. The General Shareholders' Meeting may be ordinary or extraordinary.

2. General Shareholders' Meetings shall take place at the Company's registered seat, in Warsaw or in Poznań.
3. A General Shareholders' Meeting shall be convened by way of an announcement made at least three weeks before the scheduled date of the General Shareholders' Meeting. The announcement shall specify the date, hour and place of the General Shareholders' Meeting and shall present its detailed agenda. If amendment to the Statute is being contemplated, the announcement shall present relevant provisions in their current form and the proposed changes. Effective as of August 3rd, 2009, a General Shareholder's Meeting shall be convened by way of an announcement, including all elements listed in Article 4022 of the Commercial Companies Code, made at least 26 days before the scheduled date of the General Shareholders' Meeting on the Company's website, and in a manner determined for issuing current reports in accordance with regulations of Law of 29 July 2005 on public offer and conditions for introducing financial instruments to organized system of trading and on public companies.
4. The ordinary General Shareholders' Meeting shall be held within six months as of the end of the financial year.
5. The rules governing the functioning of the General Shareholders' Meeting shall be determined in by-laws of the General Shareholders' Meeting, to be adopted by the General Shareholders' Meeting.

## **§ 16**

### **Resolutions of the General Shareholders' Meeting**

1. The following issues shall require a resolution of the General Shareholders' Meeting:
  - 1) review and approval of the Management Board Report on the operations of the Company and financial statements for the previous financial year, and granting approval to Members of the Company's governing bodies on performance of their responsibilities;
  - 2) decisions concerning claims to remedy damages inflicted at the time of the Company's establishment or in connection with its management by the Management Board;
  - 3) sale or lease of the enterprise or an organised part thereof, as well as the creation of limited property rights therein;
  - 4) creation of the Company's capitals and funds and their allocation;
  - 5) approval of the Company's long-term strategic plans;
  - 6) distribution of profit and coverage of loss;
  - 7) amending the Company's Statute;
  - 8) increasing and reducing the Company's share capital;
  - 9) dissolution or liquidation of the Company;
  - 10) authorization for the Company to enter into a standby or firm commitment underwriting agreements,

- 11) other matters which pursuant to the provisions of the Commercial Companies Code or other laws, or pursuant to the Company's Statute, rest within the exclusive competence of the General Shareholders' Meeting.
2. Acquisition and disposal of real estate, perpetual usufruct rights, or of an interest in real estate shall not require a resolution of the General Shareholders' Meeting.
3. Resolutions of the General Shareholders' Meeting shall be adopted by the absolute majority (over 50%) of votes cast, except where the law or the Company's Statute require a qualified majority.
4. Each share shall carry the right to one vote at the General Shareholders' Meeting.
5. Resolutions concerning a significant change in the Company's business, without the requirement to buy out the shares held by those shareholders who do not approve the change, shall be adopted by a majority of 3/4 (three fourths) of the votes cast, in the presence of shareholders representing at least 50% of the Company's share capital.
6. Resolutions concerning a merger or a dissolution of the Company, disposal of the Company's enterprise or an organised part thereof or a reduction of the Company's share capital shall be adopted by a majority of 3/4 (three fourths) of the votes cast.
7. Resolutions concerning the withdrawal of the Company shares from public trading, delisting of the Company shares from the Warsaw Stock Exchange, or a merger of the Company which brings about the same consequences shall be adopted by a majority of 9/10 (nine tenths) of the votes cast, such votes to represent at least 50% of the Company's share capital.
8. Resolutions concerning the removal of a certain issue from the agenda of a General Shareholders' Meeting or the abandonment to consider a certain issue placed on its agenda on shareholders' request shall be adopted by a majority of 3/4 (three fourths) votes cast, after the requesting shareholders who are present at the pertinent General Shareholders' Meeting express their consent thereto.

## **FINAL PROVISIONS**

### **§ 17**

#### **Reserve Funds. Other Funds and Capital Reserves**

1. The Company shall create reserve funds by transferring to these funds 8% of any financial year's profit until the value of the reserve funds reaches 1/3 of the value of the Company's share capital.
2. The General Shareholders' Meeting may create other funds and capital reserves.

### **§ 18**

#### **Agreements with Management Board Members and Other Employees of the Company**

In agreements between the Company and a Management Board Member as well as in disputes with any Management Board Member, the Company shall be represented by the Supervisory Board or a proxy appointed by virtue of a resolution of the General Shareholders' Meeting. Other employees or the Company's contractors rest within the powers of the Management Board. In particular, the Management Board shall employ and dismiss Company employees

(enter into and terminate agreements with the Company contractors) and determine their remuneration.

**§ 19**  
**Redemption of Shares**

1. The Company may redeem its shares.
2. Redemption of shares shall require a resolution of the General Shareholders' Meeting. Such a resolution shall specify in particular the legal grounds for the redemption, the amount of the compensation due to the shareholder for the redeemed shares or the rationale for any redemption made against no payment, as well as the manner of reduction of the share capital.

**§ 20**  
**Dissolution of the Company**

1. The Company may be dissolved at any time by way of a resolution of the General Shareholders' Meeting as well as for other reasons provided for in the law.
2. The Company shall be dissolved following its liquidation. Liquidation shall be carried out under the business name of the Company with the additional words "in liquidation". Unless a resolution of the General Shareholders' Meeting provides otherwise, the Management Board Members shall be the Company's liquidators.