

ZETKAMA SPÓŁKA AKCYJNA
with its registered seat in Ścinawka Średnia
RULES OF THE SUPERVISORY BOARD

Consolidated text

In the wording of resolution No. 7/2005 adopted by the Supervisory Board of the Company on 27 April, 2005 taking into account the amendment resulting from resolution No. 43 adopted by the Supervisory Board of the Company on 1 August, 2006 (§7); taking into account the amendment resulting from resolution No. 64 adopted by the Supervisory Board of the Company on 20 June, 2007 (§ 3 sec. 2 and sec. 4, § 5); taking into account the amendment resulting from resolution No. 76 adopted by the Supervisory Board of the Company on 21 January, 2008 (§ 1 sec. 1 and § 17 sec. 2 item 3-8)

I. General provisions

§1

1. These Rules, adopted in accordance with § 12 sec. 2 of the Articles of Association of the Company, shall determine organisation, method of action and good practices of the Supervisory Board of ZETKAMA Spółka Akcyjna, with its registered seat in Ścinawka Średnia.
2. The Supervisory Board shall operate based on regulations of the Commercial Companies Code, the Articles of Association of the Company, resolutions of the General Meeting of Shareholders and other applicable legal regulations.

§2

Whenever the following are referred to in these Rules:

1. the Board, it shall mean the Supervisory Board of the Company;
2. Chairman, it shall mean Chairman of the Supervisory Board;
3. Deputy Chairman, it shall mean Deputy Chairman of the Supervisory Board;
4. the General Meeting of Shareholders, it shall mean the General Meeting of Shareholders of the Company;
5. the Management Board, it shall mean the Management Board of the Company;
6. the Articles of Association, it shall mean the Articles of Association of the Company.

II. Composition and internal organisation of the Board

§3

1. The Board shall consist of at least five members appointed and dismissed by the General Meeting of Shareholders.

2. The Board shall select Chairman, Deputy Chairman and Secretary from among its Members.
3. The selection referred to in sec. 2 shall be made at the first meeting of each commencing term of office of the Board.
4. At any time, Chairman, Deputy Chairman and Secretary may be dismissed from the positions and by the Board.

§4

Duties of Chairman shall include:

- 1) management of Board operation,
- 2) convening Board meetings,
- 3) presentation of the agenda and draft resolutions of the Board to Board Members,
- 4) represent the Board at the General Meeting of Shareholders.

§5

1. Duties of Deputy Chairman shall include:
 - 1) replacement of Chairman in case of absence of the latter,
 - 2) execution of tasks ordered by Chairman.
2. Duties of Secretary of the Board shall include:
 - 1) maintenance of Supervisory Board documentation,
 - 2) performance of other actions related to organisation of Board meetings ordered by Chairman of the Board.

III. Rights and obligations of Supervisory Board Members

§6

1. A Board Member shall have the right and obligation to attend meetings and participate in operation of the Board.
2. Board Members shall exercise their rights and obligations in person.
3. Board Members shall receive remuneration for attending Board meetings, granted by a resolution of the General Meeting of Shareholders.

§7

Board Members shall observe principles related to confidential information referred to in the Act of 29 July, 2005 on financial instruments trading (Dz. U. [Journal of Laws] of 2005 No. 183, item 1538).

§8

Supervisory Board Members shall participate in the General Meeting of Shareholders to, within limits of their duties and within the scope necessary to resolve matters discussed at the

General Meeting of Shareholders, provide explanations and information of the Company to attendants of the Meeting of Shareholders.

§9

1. Board Members shall mainly take into consideration the interest of the Company.
2. If there is a conflict of interest of the Company and interest of a Board Member, his/her spouse, relatives and kinsmen up to the second degree and persons with whom he/she is related, this Board Member shall notify other Board Members about the same, refrain from speaking in discussion and voting over resolutions in the matter in which there occurs the conflict of interest.

§10

1. The information about personal, actual and organisational relations of a Board Member with a specific shareholder, in particular a majority shareholder, shall be available to the general public.
2. If there occurs the relation referred to in sec. 1, the Board Member shall notify the Management Board that shall make the information available to the general public in the course provided for announcement of information about the Company.
3. The Board Member shall enable the Management Board to transfer information about a sale or purchase of Company shares in a publicly manner and in the due course provided that the information is significant to his/her material situation.

IV. Board meetings

§ 11

1. There shall be ordinary and extraordinary Board meetings.
2. Ordinary meetings shall be held at least four times a year (once a quarter); an extraordinary meeting may be convened at any time.
3. Board meetings shall be convened by Chairman or Deputy Chairman on a written motion of the Management Board, a Board member or a majority shareholder. The person requesting a Board meeting to be held shall specify the suggested agenda.
4. Meetings shall be convened by notification by regular mail or e-mail, sent at latest one week before the date of the meeting, at the same time with a fax notification to those Board Members who so requested unless all Board Members agree to hold the meeting despite non-observance of the aforementioned one-week period.
5. Chairman or Deputy Chairman of the Board shall convene a Board meeting on a written motion of the Management Board of the Company.

§12

Board meetings, except for matters concerning directly the Management Board or its members, in particular: dismissal, responsibility and determination of remuneration, shall be accessible and open for Management Board Members.

§13

1. Subject to sec. 4, Board meetings shall also occur in a manner enabling simultaneous and direct communication of Board Members using audiovisual technology (e.g. conference calls), computer systems and networks, etc.

A resolution adopted this way shall be valid provided that all Board Members have been notified about the content of a draft resolution and that each Board Member who participated in the meeting signed the minutes.

In this case, it shall be assumed that the place where the meeting is held and minutes are drawn up shall be the place where Chairman or Deputy Chairman is if the meeting is held under his/her chair.

2. Subject to sec. 4, the Board may also adopt resolutions in writing outside of Board meetings provided that all Board Members have been notified about the content of draft resolutions.
3. Subject to sec. 4, Board Members may participate in adoption of resolutions of the Board, by casting their votes in writing through another Board Member, whereby a vote cast in writing shall not relate to issues introduced to the agenda throughout the Board meeting.
4. Resolutions adopted in line with sec. 1, 2 and 3 shall not concern appointment of Chairman and Deputy Chairman, appointment of a Management Board Member, and dismissal and suspension of actions of those people.

§14

1. Resolutions of the Board shall be adopted by the absolute majority of votes cast in the presence of at least half of the Board composition unless regulations of the Commercial Companies Code and the Articles of Association of the Company provide for otherwise, and if all Board Members have been notified about the meeting.

In case votes divide equally, Chairman shall have the decisive vote.

2. Votes at a Board meeting shall be open.

A secret vote shall be ordered in personnel matters and on a motion of a Board Member.

§15

1. Management Board Members and other people invited by Chairman may participate in Board meetings.

2. Board meetings shall be chaired by Chairman and, in case of his/her absence, by Deputy Chairman.
3. Votes at a Board meeting shall be open. Chairman shall order a secret vote in personnel matters and on a motion of one Board Member.

§16

1. Minutes shall be drawn up of Board meetings.
Minutes shall be drawn up by Chairman of the Board or a person appointed by Chairman.
2. Minutes shall include the following:
 - 1) successive number, date and place of the meeting,
 - 2) names of attending Board Members and invited people,
 - 3) the agenda,
 - 4) texts of resolutions,
 - 5) method of voting and number of votes cast for individual resolutions,
 - 6) different opinions of Board Members,
 - 7) objections of Members absent at the meeting sent later.
3. Minutes shall be signed by all Board Members attending the meeting.
4. Minutes shall be kept in the registered office of the Company.

V. Duties of the Supervisory Board

§17

1. The Supervisory Board shall continuously supervise operation of the Company in all areas of its operation.
2. Detailed duties of the Board shall include:
 - 1) evaluation of the Management Board's report of Company operation and the financial statement for the preceding financial year in respect of their conformity with account books and documents, and with the actual condition; evaluation of motions of the Management Board regarding distribution of profit and coverage of losses; and submission of the annual written report of results of the evaluations to the General Meeting of Shareholders,
 - 2) adoption of resolutions regarding establishment of new enterprises, companies and joining the same,
 - 3) authorisation of the Management Board to open branch offices of the Company,
 - 4) conclusion and termination of agreements with Management Board Members and determination of principles of their remuneration,

- 5) on a motion of the Management Board, adoption of the rules determining organisation of the enterprise of the Company,
 - 6) appointment of an expert auditor who audits the financial statement of the Company,
 - 7) evaluation of consolidated financial statements,
 - 8) appointment of President of the Management Board, and appointment and dismissal of Management Board Members,
 - 9) approval of purchasing or selling real properties, perpetual usufruct or shares in real properties,
 - 10) suspension, for vital reasons, of actions of individual or all Management Board Members and delegation of Board Members for temporary performance of duties of Management Board Members who cannot fulfil the same,
 - 11) approval of conclusion of an agreement with an underwriter referred to in Art. 433 § 3 of the Commercial Companies Code,
 - 12) approval of the annual budget of the Company,
 - 13) examination of other matters ordered by the General Meeting of Shareholders or submitted by the Management Board.
3. The following matters shall require a prior resolution of the Supervisory Board before resolved or implemented by the Management Board:
- 1) introduction of negative amendments in principles of procedure regarding environment protection,
 - 2) sale, rent, pledge, mortgage or other encumbrance or disposal of property in one or several connected transactions of the book value exceeding 10% of the net value of tangible fixed assets in the balance sheet of the Company, excluding stock sold in the regular course of Company operation,
 - 3) incurring a credit, loan, purchase or sale of debt securities, incurring another debt, and expending amounts in one or several connected transactions, and also incurring any off-balance liabilities, exceeding the one-off amount of PLN 500 000.00 (five hundred thousand) and the amount of PLN 1 000 000.00 (one million) throughout one year, except for expenses listed in the approved annual budget or borne in the regular course of Company operation,
 - 4) granting a loan, issue of debt securities or granting another funds, and also providing sureties or performance bonds by a third party, exceeding the one-off amount of PLN 500 000.00 (five hundred thousand) and the amount of PLN 1 000 000.00 (one million) throughout one year, except for the so-called trade credits and

other claims in the regular course of Company operation, and loans and other claims provided for in the approved annual budget of the Company,

- 5) any transactions concluded on terms and conditions other than terms and conditions between non-affiliated entities,
- 6) deleted,
- 7) deleted,
- 8) deleted.

§18

1. Duties of the Board shall include representation of the interest of the Company in matters and agreements between President of the Management Board and other Management Board Members, and between the Management Board and shareholders.
2. Agreements with Management Board Members shall be signed on behalf of the Board by a Board Member authorised by the Board.

§19

The Board shall be entitled to convene the Ordinary General Meeting of Shareholders if the Management Board does not convene the Meeting of Shareholders within the term agreed in the Articles of Association, and the Extraordinary General Meeting of Shareholders whenever deems it necessary and the Management Board does not convene the Meeting of Shareholders in two weeks after submission of the respective request by the Board.

VI. Final provisions

§20

1. Immediately after accepting the position of a Board Member, however, not later than at the first Board meeting, each Board Member shall provide Chairman with his/her personal data, including PESEL [Polish Citizen Identification Number], and, in case of a foreigner, a passport number, domicile, service address, e-mail address and relevant telephone numbers.
2. Board Members shall immediately notify about any changes of the data referred to in sec.
3. Administrative and technical service of the Board shall be provided by the Management Board Office.

Komentarz [M1]: Brak numeru ustępu w oryginale.

§21

In matters not regulated in these Rules and the Articles of Association of the Company, regulations of the Commercial Companies Code shall apply.

§22

These Rules may be amended by a resolution of the Board in the course provided for its adoption.

§23

The Rules shall be effective upon adoption. Resolution No. 7 / 2005 of 27 April, 2005