

THE REGULATIONS OF THE MANAGEMENT BOARD OF ENERGOINSTAL SPÓŁKA AKCYJNA SEATED IN KATOWICE

§ 1

1. The Management Board of the Company ENERGOINSTAL SA, hereinafter referred to as Management Board, is a management and executive body of the Company, which represents the Company outside.
2. The Management Board operates under the rules of the Code of Commercial Companies and Partnerships, the Articles of Association, Supervisory Board resolutions, General Meeting resolutions, these regulations and the generally binding laws.
3. All the matters associated with conducting the Company, not reserved by an Act or by the Articles of Association to the competencies of the General Meeting or the Supervisory Board, shall belong to the scope of the Management Board activities.
4. The Management Board of the Company is obliged to manage the assets of the Company and to conduct the matters of the Company and to perform the duties with due diligence, while strictly obeying the law, the provisions of the Articles of Association of the Company and the resolutions and regulations binding in the Company.

§ 2

1. The Management Board, following the interests of the company, shall specify the strategy and the main objectives of the Company's activities and shall submit them to the Supervisory Board, and it is also responsible for their implementation and execution.
2. The Management Board shall take care of the transparency and effectiveness of the management system of the Company and the conduct of its matters in accordance with the laws and good practice.
3. While taking the decisions in the matters related to the Company, the Management Board Members shall act within the limits of justified economic risk, i.e. after reviewing all information, analyses and opinions which, according to a reasonable evaluation of the Management Board, shall be considered in a given case because of the Company's interests.
4. While agreeing on the interests of the Company, the Management Board shall take into consideration the interests, which are justified in the long perspective, of the shareholders, creditors, Company employees and other entities and persons who cooperate with the Company in the scope of its economic activity.

§ 3

1. The Management Board members are appointed and dismissed by the Supervisory Board.
2. The number of the Management Board Members for the given term is determined by the Supervisory Board.
3. The Supervisory Board may introduce changes in the number of the Management Board Members during the term.
4. The Management Board term lasts five years and is joint for all the Management Board Members.
5. The Management Board Members may be appointed again.
6. The mandate of a Management Board Member expires:
 - a) on the day of the General Meeting which approves of the financial report for the last full business year of performing the function of the Management Board Member, subject to the section 6 below,
 - b) on the day of filing a resignation by the Management Board Member,
 - c) on the day of his/her dismissal from the Management Board,
 - d) due to death,
 - e) in the case of losing, in full or in part, the capacity for acts in law.
7. The mandate of a Management Board Member appointed for the period of joint term prior to the end of the given Management Board term shall expire together with the expiry of the mandates of other Management Board members.

§ 4

1. The individual Management Board Members or the whole Management Board may be – for important reasons – suspended or dismissed by the Supervisory Board prior to the end of the term. The General Meeting shall also have this right.
2. The dismissal of the Management Board Members shall not breach their rights stemming from the employment agreement or a contract.
3. The dismissed Management Board Member and a Member who resigned from his/her function, is obliged to:
 - a) submit explanations in the course of preparation of the report of the Management Board and the financial report, including the period of his/her functioning as a Management Board Member,
 - b) take part in the General Meeting, which shall approve of the above-mentioned reports,
 - c) properly settle his/her current matters and submit his/her documents to his/her successor or to the person indicated by the Supervisory Board – in order to ensure continuity in the functioning of the Company.
4. If the Member of the Management Board or the whole Management Board is dismissed or suspended in duties and if the Management Board may not act for other reasons – the Supervisory Board may delegate a Member or Members of the Supervisory Board, to perform the activities of a Management Board Member temporarily .

§ 5

1. If the Company Management Board consists of more than one person the Management Board is a collective agency, which exercises its rights by passing resolutions.
2. The Company Management Board Meetings are convened by the President of the Management Board upon his/her own initiative or upon a motion of another Management Board Member, and in the case of absence of the President of the Management Board, by the Management Board Member who substitutes for him.
3. The Management Board Meetings take place at least once a month. The Management Board Meetings take place in the building of the Company at al. Różdzieńskiego 188d in Katowice. For the Management Board meetings to be valid, it is necessary to send the information about the date of the Management Board meeting at the e-mail address of every Member of the Management Board not later than on the day before the day of the Management Board meeting.
4. Other methods of notifying the Management Board Members of the convened Management Board meetings are also permissible, provided that they are the methods which allow for obtaining the confirmation of the reception by the given Management Board Member, of the notification about the planned date of the meeting.
5. The Management Board Meeting may also take place without a formal convention, provided that all Management Board members are present during the Management Board meeting.
6. The persons invited by the President of the Management Board , especially Supervisory Board Members, proxies, plenipotentiaries, specialists and experts may take part in the Management Board meetings.
7. The Management Board meetings are chaired by the President of the Management Board or the person who substitutes for the President of the Management Board or the person indicated by the President of the Management Board.
8. The competencies of the meeting chairman, as a person who conducts the deliberations include, but are not limited to:
 - a. ordering the opening and closing of a meeting, and also breaks during deliberations,
 - b. ensuring appropriate and efficient course of the meeting,
 - c. ordering the votings and confirming their results.
9. The resolutions of the Management Board may be adopted if all Management Board Members were appropriately notified of the Management Board meeting. For the resolutions passed during the Management Board meetings to be valid, it is necessary that at least 2 Management Board Members take part in the Management Board meeting, including the President of the Management Board or the person who substitutes for the President of the Management Board.
10. The Management Board of the Company shall pass the resolutions in an open voting by a simple majority of vote. In the case of equal number of votes for and against a resolution, the vote of the meeting chairman shall be a casting vote.
11. The outvoted Company Management Board Member may attach his/her motivated separate opinion to the resolution passed by the majority of vote.

12. The minutes of the course of a Management Board meeting and of the passed resolutions are drawn up, which shall be signed by the meeting participants. The minutes should include the date and place of a meeting, the meeting agenda, the full names of the present Management Board Members and other participants of the meeting, the contents of the passed resolutions, the number of votes cast for particular resolutions and separate opinions if any.

13. The minutes shall be signed by the Company Management Board Members present at a meeting.

14. The minutes from the Management Board meetings shall be stored in the Company's seat in the manner stipulated by the Company Management Board.

§ 6

1. The Management Board may pass a resolution outside of the Management Board meeting, by means of:

a. voting in writing – in such a case every Management Board member shall cast his/her vote in writing and shall submit it to the President of the Management Board or the person who substitutes for the President of the Management Board;

b. voting in writing – by circulation – by every Management Board member by signing under the contents of a resolution and submitting it to the President of the Management Board or to the person who substitutes for the President of the Management Board;

c. voting by means of telecommunications measures in the form of fax or Internet.

2. The votes cast in the manner specified in Article 1 of this paragraph shall be entered in the book of resolutions and shall be attached to the minutes of the Management Board meetings.

3. In order to pass a resolution effectively in the manner specified in Article 1 point 3) of this paragraph, it is necessary that votes are cast by all Management Board members.

§ 7

1. In particular the following matters require the resolution of the Management Board :

a. the convention of the Ordinary General Meeting, which should take place not later than within 6 months after the end of the business year,

b. the convention of the Extraordinary General Meeting:

- upon one's own initiative,
- upon a written motion from the Company Supervisory Board,
- upon a written motion of the shareholders who represent at least one tenth of the

initial capital,

c. the presentation of an annual report from the Company's activities and a financial report for the past business year together with the motion concerning the division of profits or coverage of losses, to the General Meeting;

d. the presentation of motions, together with the opinion of the Supervisory Board, to the General Meeting, concerning the following matters:

- the change of the objects of the Company's enterprise,
- the change of Articles of Association,
- the increase or decrease of the initial capital,
- the merger, transformation, division of the Company,
- dissolution or liquidation of the Company,
- emission of bonds,
- redemption of company's shares,
- disposal and lease of the enterprise or its organised part and establishment of limited rights in property on it;

e. the acquisition or disposal of real property associated with conducting core business of the Company;

f. division of duties among the Management Board Members;

g. establishment of organizational regulations, organizational structure of the Company, work regulations for the Company's employees and regulations associated with the plant system of remuneration, awarding and granting bonuses to these employees;

h. creation and liquidation of departments, divisions, plants and other distinguished organizational

entities of the Company;

i. acceptance of the annual and long-standing strategies, plans and operating programs, including also the changes in the directions of the Company's enterprise activities;

j. agreement to dispose of and allowing to use fixed assets, excluding the cases reserved for the competence of the General Meeting;

k. making donations for social or charity purposes;

l. making the decisions about group layoffs.

2. Moreover other matters introduced by the Management Board Members require the resolution of the Management Board of the Company.

§ 8

1. The Management Board Member should remain completely loyal to the Company and avoid the activities which could only lead to the realization of one's own material profits.

2. The Management Board Member may not, without the consent of the Supervisory Board, deal with competitive business, nor take part in a competitive company as a partner of a registered partnership, of, a partnership or as a member of a capital company's body or take part in another competitive legal person as a member of a body. This prohibition also includes the participation in a competitive capital company, if the Management Board Member possesses at least 10 % of shares or stocks or the right to appoint at least one Management Board Member.

3. A Management Board Member – due to his/her function – is obliged to inform the Supervisory Board about every conflict of interest. In the case of a contradiction between the interests of the Company and the personal interests of a Management Board Member, the Management Board Member should abstain from the participation in settling such matters and may demand to stipulate it in the minutes.

§ 9

1. The Management Board shall submit reports about its activities upon the request of the Supervisory Board, and on annual basis to the General Meeting.

2. Two Management Board members are obliged to take part in the deliberations of the General Meeting. The Management Board Members elect from among themselves the persons, who shall represent the Management Board at the General Meeting.

§ 10

These Regulations come into force on the day of its approval by the Company Supervisory Board.