

The Rules of the Management Board of „Energopol – Południe” S.A. of 20 October 2009 approved by the resolution No 3 of the Supervisory Board of 28 October 2009, including changes enforced by this resolution by the Supervisory Board.

## **The Rules of the Management Board „Energopol – Południe” S.A.**

### **I. GENERAL PROVISIONS**

#### **§ 1**

1. The Management Board is the authority of the company that shall manage the company's affairs and represent the company „Energopol – Południe” S.A. in Sosnowiec, hereinafter referred to as “Company”.
2. The Management Board of „Energopol – Południe” S.A., hereinafter referred to as ‘The Management Board’, operates on the basis of the Code of Commercial Companies, the Company’s Statute, these Rules and any other binding regulations.
3. The Management Board, acting on the Company’s interest, determines the strategy and main goals of the Company.
4. The Management Board shall care for transparency and effectiveness of the company management system and the conduct of its business in accordance with provisions of law and the Best Practices of Companies Listed on the Warsaw Stock Exchange.
5. The Management Board shall perform its duties collectively.
6. Each member of the Management Board shall have the right and the obligation to conduct Company’s affairs and may, without a prior resolution of the Management Board, conduct affairs within the ordinary, and assigned to them, scope of the Company's business, in compliance with the provisions of law, the Company’s Statute, resolutions and the rules of the Company’s authorities.

### **II. COMPOSITION AND METHOD OF THE APPOINTMENT OF THE MANAGEMENT BOARD**

#### **§ 2**

1. The Management Board shall be composed of one to five members.
2. Members of the Management Board, including Chairman of the Management Board, shall be appointed and removed by the Supervisory Board.
3. Each time the Supervisory Board shall determine the number of members of the Management Board of the given term of office. The Supervisory Board may change the number of members of the Management Board during the term of office, but only in relation to making changes in the composition of the Management Board during the term of office.
4. Members of the Management Board or the Management Board as a unit may be removed by the Supervisory Board before to the expiration of the term of office.
5. The Supervisory Board may remove the Chairman of the Management Board from his/her post, allowing him/her to be in the composition of the Management Board and simultaneously entrusting the post of the Chairman of the Management Board to another person.
6. Members of the Management Board, including the Chairman of the Management Board, shall be appointed for a common term of office. The mandate of a member of the Management Board

appointed prior to the lapse of a given term of office of the Management Board shall expire at the same time as mandates of the remaining members of the Management Board.

7. The term of office of the Management Board shall last 3 years.
8. The mandate of a member of the Management Board, including the chairman of the Management Board, shall expire no later than on the date of holding the General Meeting approving the financial statement for the last full financial year in which the member fulfilled his/her duties within the Management Board. The mandate of a member of the Management Board, including the Chairman of the Management Board, shall also expire upon his/her death, resignation or removal of the member from the Management Board.

### III. MANAGEMENT BOARD'S COMPETENCES AND OBLIGATIONS

#### §3

1. The Management Board shall represent the Company and manage the Company's business with particular care required in economic trade. The Management Board shall represent the Company in all court and out - of - court actions.
2. If the Management Board is composed of one member, one member of the Management Board shall be entitled to make statements and act on behalf of the Company.
3. If the Management Board is composed of more than one member, joint action of two members of the Management Board or one member and a holder of commercial power of attorney shall be required to make statements and act on behalf of the Company.
4. All matters related to managing affairs of the Company not reserved by the law or Company's Statute for the range of competence of the General Meeting or the Supervisory Board shall be included in the Management Board's scope of actions.
5. Before taking actions that, based on the Code of Commercial Companies or the Company's Statute require resolution of the General Meeting or the Supervisory Board, the Management Board shall apply for adoption of resolutions respectively to the General Meeting or the Supervisory Board.
6. Within three months from the end of a fiscal year the Management Board shall make and present to the Supervisory Board an annual financial statement and a written report on the Company's operations during this period.
7. The Management Board shall submit all applications and documents required by law to the registry court.
8. A member of the Management Board, including the Chairman of the Management Board, shall not, without the consent of the Supervisory Board, engage in competitive business *in particular\** or participate in competitive entities as a partner in a civil law partnership or a partnership, or a member of the authorities of a company or participate in any competitive legal entity as a member of its authority. The aforementioned prohibition shall also apply to the participation in a competitive company if a member of the Management Board, including the Chairman of the Management Board, holds at least 10 percent of shares in such a company or has a right to appoint at least one member of the Management Board of such a company.
9. A member of the Management Board, including the Chairman of the Management Board, shall not, without the consent of the Supervisory Board, hold a position in supervisory authorities or management authorities of other entities.

10. The Chairman's of the Management Board – General Manager - duties are, in particular, as follows: managing the Management Board work, chairing meetings of the Management Board, coordinating work of the other members of the Management Board, supervision of key projects executed by the Company and HR policy.
11. The Vice-Chairman's of the Management Board – Financial Manager - duties are, in particular, as follows: supervision of the accounting of the Company, drawing up financial plans and the budget of the Company for a given financial year, contact financial institutions and supervising Company's pricing policy.
12. All members of the Management Board, including the Chairman of the Management Board, are responsible for the supervision and care of obeying binding regulations, health and safety at work rules at the Company's premises, fire safety regulations and acting in accordance with legal acts binding in the Company or any other binding provisions of law.
13. Detailed internal distribution of duties and work between particular members of the Management Board is defined in the Organisational Rules of the Company adopted by the Management Board.

#### IV. CONVENING MEETINGS OF THE MANAGEMENT BOARD

##### § 4

1. The Management Board shall hold its meetings when necessary, but no less than once a month.
2. The chairman of the Management Board shall convene a meeting of the Management Board on his/her own initiative or on request of another member of the Management Board, if possible within three working days from the date of request.
3. To convene a meeting of the Management Board a written invitation sent by registered mail, fax, electronic mail (e-mail) or delivered in person with acknowledgment of receipt is required.
4. A meeting of the Management Board may take place without its formal convening if all members of the Management Board consent to it on the day of the meeting and will confirm this in writing or will put their signature at the list of attendance.
5. With notification about convening a meeting the Chairman of the Management Board shall relay the meeting's agenda and materials concerning matters being subject to the meeting of the Management Board to the other members of the Management Board no later than three working days before the planned term of the meeting.
6. Extension of the agenda of the meeting may take place if all members of the Management Board are present at the meeting and no person present objects to the proposed agenda.
7. The time of the meeting is determined by the Chairman of the Management Board. As far as possible, time of the meeting shall be determined in such a manner that each member of the Management Board shall have the opportunity to participate in the meeting.
8. Meetings of the Management Board shall be held at the Company's registered office.

#### V. MEETINGS OF THE MANAGEMENT BOARD

##### § 5

1. The Chairman of the Management Board shall chair the Management Board meeting. He/she shall run the meeting in accordance with the agreed agenda, provisions of law, the statute of the company and these Rules.

2. It is obligatory for the members of the Management Board to participate in the Management Board meetings.
3. The Chairman of the Management Board may invite to the Management Board meeting members of the Supervisory Board, the company's employees associated in substantive way with and professionally in charge of the matters discussed at the meeting, as well as specialists and external advisors or other people on their own initiative or the ones requested by another member of the Management Board. Invited person shall leave the meeting at the request of any member of the Management Board, in particular during voting, discussing another point of the agenda or discussing matters relating directly to him/her.
4. The Chairman of the Management Board shall order to prepare the list of attendance at the Management Board meeting, which is attached to the minutes.
5. The Chairman of the Management Board may order breaks in the meeting in particular in order to obtain opinions of specialists or conduct consultations, etc.
6. Members of the Management Board, including the Chairman of the Management Board, shall inform the Supervisory Board about every conflict of interest connected with the performance of their duties or a possibility of occurrence of a conflict.
7. Member of the Management Board, including the Chairman of the Management Board, shall refrain from deciding matters in case of conflict between the interests of the Company and the personal interests of the member of the Management Board, the Chairman of the Management Board, his/her spouse, relatives and relatives by marriage up to the second degree, the people he/she is personally connected with. In case of conflict of interest the member of the Management Board, including the Chairman of the Management Board, shall inform the remaining members of the Management Board and refrain from taking part in the discussion and voting on the case to which a conflict has arisen. This fact shall be recorded in the minutes.
8. After the agenda has been completed, the Chairman of the Management Board shall announce closing the meeting.

## VI. RESOLUTIONS AND MINUTES

### § 6

1. Resolution of the Management Board on the matters in which their adoption is required shall be adopted by an absolute majority of votes, but in the case of a voting deadlock, the President of the Management Board shall have the casting vote.
2. *Crossed out\**
3. Members of the Management Board, who voted against a resolution may submit an opposing / dissenting opinion with a justification to the minutes.
4. Resolutions shall be valid if all the members of the Management Board have been properly notified about the meeting that is due to be held, and if the Management Board is composed of at least three members - participation in the meeting of more than a half of its members, and if the Management Board is composed of two people resolutions shall be valid if all members of the Management Board are present.
5. Resolutions of the Management Board are adopted in open voting.
6. The Chairman of the Management Board shall order a secret ballot on his/her own initiative or at the request of any another member of the Management Board.

7. Resolutions of the Management Board adopted during the meeting of the Management Board shall be numbered and constitute separate documents. The number of voters and the result of the voting is written under the resolution. Resolutions of the Management Board are appendices to the minutes of the Management Board meeting.
8. The Management Board's meetings shall be recorded in minutes by an employee of the Management Board office or any another person indicated by the Chairman of the Management Board. Minutes of the Management Board meetings should include at least the date and place of the meeting, the meeting agenda, names and surnames of present members of the Management Board, the number of votes for every resolution and an opposing opinion.
9. Resolutions and minutes of the meetings shall be signed by all the members of the Management Board participating in the meeting. Members of the Management Board absent at the meeting are obligated to make themselves familiar with the contents of the adopted resolutions and the minutes, confirming that by their signature on the original documents.
10. Materials debated at the meeting (thematic studies, plans, reports, information, motions and justifications) and the list of attendance should be enclosed to the minutes.
11. The book of the resolutions and the minutes of the Management Board shall be drawn up and kept by the Management Board office.

## § 7

1. Resolutions of the Management Board shall be required for all affairs, in which the Management Board ask the Supervisory Board or the General Meeting for consideration.
2. Resolutions of the Management Board shall be required also for affairs beyond the range of the ordinary Company's management, which are, in particular:
  - 1) adoption of the Rules of the Management Board and its amendments,
  - 2) adoption of the Organisational Rules of the Company and its amendments,
  - 3) adoption of the Company Collective Bargaining Agreement / Company Labour Collective Agreement, Work Regulation, Remuneration Regulation, their amendments and their termination,
  - 4) adoption of the Company's financial plan,
  - 5) adoption of the Company's strategy,
  - 6) determining the budget for a given year,
  - 7) the request to convene the General Meeting and draw up its agenda,
  - 8) requests addressed to the General Meeting including the request to distribute profit or cover losses,
  - 9) adoption of the Management Board report on the Company's operations for a given year,
  - 10) adoption of the financial statement for a given financial year,
  - 11) appointment of the holder of a commercial power of attorney,
  - 12) performing a legal action which leads to contracting an obligation or disposing a right on behalf of the Company, the value of which exceeds the equivalent of 3% of the share capital of the company valid on the day of adoption of the resolution,
  - 13) decision about signing the consortium agreement,
  - 14) decision about liquidation of fixed asset or fixed assets,

15) any other matters, if the Management Board considers it justified to be considered in this way.

3. Members of the Management Board, including the Chairman of the Management Board, conduct affairs within the scope of the Management Board's ordinary business individually in the framework of division of the duties among the members of the Management Board and bear responsibility for them.
4. Resolutions of the Management Board shall be required for performing an action if any member of the Management Board objects to the action in writing even if the action does not exceed the scope of the ordinary management.
5. At the request of each member of the Management Board, including the Chairman of the Management Board, every affair may be considered through the resolution.

## VII. FINAL PROVISIONS

### § 8

1. In matters not regulated in these rules, provisions of the Code of Commercial Companies, the Company's Statute and other applicable laws shall be applied.
2. These Rules of the Management Board were adopted by a resolution of the Management Board No 1/10/2009 of 20 October 2009 and shall enter into force on the date of its approval by the Company's Supervisory Board.

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*\* amendments implemented by the resolution of the Supervisory Board No 3 of 28 October 2009*