

**Rules of the Board of Directors
of AWBUD Spółka Akcyjna in Fugasówka
(consolidated text adopted on the basis of Resolution No 13/2011 of the
Supervisory Board of AWBUD Spółka Akcyjna in Fugasówka of 11 May 2011,
including amendments to the Rules of the Board of Directors of AWBUD Spółka
Akcyjna in Fugasówka approved on the basis of Resolution No 1/2017 of the
Supervisory Board of AWBUD Spółka Akcyjna in Fugasówka of 4 October 2017)**

§ 1

Purpose of the Rules

These Rules provide for the organisation of work of the Board of Directors of AWBUD Spółka Akcyjna in Fugasówka and the performance of duties by the Directors.

§ 2

Definitions

For the purpose of these Rules, the following terms shall have the following meaning:

- 1) Company means AWBUD Spółka Akcyjna in Fugasówka, recorded in the National Court Register by the District Court in Częstochowa under the number 0000023958.
- 2) Meeting of Shareholders means the Meeting of Shareholders of the Company.
- 3) Supervisory Board means the Supervisory Board of the Company.
- 4) Board of Directors (Directors) means the Board of Directors of the Company.
- 5) Shareholder/Shareholders mean a shareholder/shareholders of the Company.
- 6) Company's Articles of Association mean the Articles of Association of the Company adopted on 20 January 2011 and incorporated in the notarial deed of 20 January 2011 prepared by Barbara Miączewska, Notary Public, Notary Public's Office in Lublin, ul. Żwirki i Wigury 4/3, Register A No 216/2011, corrected by the notarial deed of 21 February 2011 prepared by Barbara Miączewska, Notary Public, Notary Public's Office in Lublin, ul. Żwirki i Wigury 4/3, Register A No 657/2011, as amended;
- 7) Director means a person that has been duly appointed to the Board of Directors of the Company in accordance with the Company's Articles of Association and the Code of Commercial Companies.
- 8) Rules: these Rules.

§ 3

Board of Directors

1. The Directors shall manage the Company's activities, movable and immovable assets and rights, pass resolutions and make decisions on all issues that are not restricted to the Meeting of Shareholders or Supervisory Board.
2. The Directors shall act on the basis of and in accordance with:
 - 1) applicable legal regulations, including the Code of Commercial Companies;
 - 2) the Company's Articles of Association; and
 - 3) these Rules.
3. The Board of Directors shall be composed of 1 (one) to 4 (four) members.
4. Directors shall be appointed and dismissed by the Supervisory Board. The Supervisory Board shall also appoint the President or Vice-president of the Board of Directors.
5. The term of each Director shall be 3 (three) years. The term of the Director shall expire as of the Annual Meeting of Shareholders where financial statements for the last financial year during which the Director has performed his/her function are approved.
6. The Director may be also dismissed or suspended by the Meeting of Shareholders.
7. The Directors shall perform their duties in person.
8. The President of the Board of Directors shall manage the Company's internal operations.

§ 4 Representation

1. If the Board of Directors is composed of one member, the sole Director shall have the right to represent the Company on his/her own. If the Board of Directors is composed of more than one member, the Company shall be represented by the Chairman and Vice-chairman of the Board of Directors acting jointly or by 2 (two) Directors being Vice-chairmen of the Board of Directors acting jointly or by the Vice-chairman of the Board of Directors and a Director (who is neither the Chairman nor Vice-chairman of the Board of Directors) acting jointly or any of the Directors with a proxy.
2. Statements and documents addressed to the Company may be delivered to any of the Directors.

§ 5 Rights and duties of the Directors

1. The Directors shall manage the Company's ongoing activities collegially and shall in particular:
 - 1) take up all actions that are necessary or desired to manage the Company's activities appropriately to the extent set out by the Articles of Association, resolutions of the Meeting of Shareholders and Supervisory Board, except for issues restricted by law or under the Articles of Association to the Meeting of Shareholders or Supervisory Board;
 - 2) represent the Company in all court and non-court proceedings;
 - 3) manage the Company's assets and affairs.
2. The Directors shall also:
 - 1) call the Meeting of Shareholders in accordance with applicable legal regulations and within time limits set out therein;
 - 2) keep and store the book of minutes and the book of resolutions of the Meeting of Shareholders and store the book of minutes and the book of resolutions of the Supervisory Board;
 - 3) by the 3rd (third) month of the end of the financial year, prepare annual financial statements and a report on the Company's activities and, upon the auditors auditing and commenting on those statements and report, submit them to the Supervisory Board together with a draft resolution on profit distribution or loss coverage and the auditor's opinion and report for evaluation by the Supervisory Board in accordance with Art. 382 § 3 of the Code of Commercial Companies, however no later than 26 (twenty six) days before the date of the Annual Meeting of Shareholders.
 - 4) ensure that the Company's financial statements are audited by the auditor on time;
 - 5) present the Supervisory Board or Meeting of Shareholders with all necessary data, explanations and documents concerning the Company and the Company's activities;
 - 6) provide administrative and office services to other bodies of the Company;
 - 7) notify a competent Registration Court of all amendments in the Company's data recorded in the National Court Register in accordance with applicable legal regulations and within time limits set out therein;
 - 8) prepare long-term strategic plans and annual budgets of the Company;
 - 9) ensure that the Company's books of account and trading books are kept and that financial statements and other documents of the Company are prepared in accordance with applicable regulations;
 - 10) ensure that all tax and financial documents are prepared in accordance with

- 11) applicable legal regulations and within time limits set out therein;
 - 12) define and ensure the organisational structure of the Company;
 - 13) exercise the Company's rights connected with the Company's shareholding in partnerships or other commercial companies, legal persons or organisations, and in particular exercise the right of vote connected with the shares held by the Company;
 - 14) prepare the uniform text of the Company's Articles of Association for internal purposes.
3. The Directors shall obtain the Supervisory Board's consent for all issues that are subject to that consent under applicable legal regulations, the Company's Articles of Association, resolutions of the Meeting of Shareholders or resolutions of the Supervisory Board which were passed in accordance with legal regulations and within the applicable authorities.
 4. The President of the Board of Directors shall also:
 - 1) organise internal operations of the Board of Directors;
 - 2) ensure that the book of minutes from the Directors' meetings is kept and stored adequately;
 - 3) notify other Directors of all events related to the Company and the Company's activities which are subject to the Directors' collegial decisions;
 - 4) handle ongoing cooperation between the Directors and Supervisory Board, including collecting complete data, documents and other information for the Supervisory Board.
 5. Each Director shall take an active part in the work of the Directors, including participation in and vote at all meetings of the Board of Directors.

§ 6

Meetings of the Board of Directors

1. The meetings of the Board of Directors shall be held when necessary to ensure that the Company and the Company's enterprise are duly managed.
2. Directors shall take part in the meetings of the Board of Directors in person.
3. The meetings of the Board of Directors shall be called by the President of the Board of Directors at his/her own initiative or at a request of another Director.
4. The meeting may be called and a request for calling the meeting may be filed in any way.
5. Meetings shall be called, if possible, within such time limits that enable each Director to attend the meeting.
- 5¹. In the event the Chairman of the Board of Directors does not call the meeting of the Board of Directors in accordance with the above regulations within the period specified in the Director's request, the meeting of the Board of Directors may be called by any of Vice-chairmen of the Board of Directors (Sections 4 and 5 shall apply accordingly).
6. If the Director is not able to take part in the meeting, the President of the Board of Directors shall be notified immediately.
7. The meetings of the Directors shall be held at the Company's offices, in Katowice, Bielsko-Biała or another place to be agreed by all Directors.
8. Each Director shall have the right to put forward motions to change or supplement the agenda of the meeting.
9. The agenda may be extended with the consent of all Directors. To reduce the agenda, all Directors do not need to be present.
10. The meetings of the Board of Directors may be attended, without the right of vote, by members of the Supervisory Board and other persons invited by the Directors, provided that none of Directors objects.
11. The President of the Board of Directors shall open, chair and take care of the course of the meeting. If the President of the Board of Directors is absent, the meeting shall be opened, chaired and taken care of by another Director to be appointed by Directors

- present at the meeting of the Board of Directors.
12. The President of the Board of Directors or another Director that is appointed in accordance with Section 11 above shall in particular:
- 1) open the meeting, confirm that the meeting has been called correctly, and suggest the agenda of the meeting;
 - 2) chair and close discussions on individual items of the agenda;
 - 3) give the floor to persons attending the meeting;
 - 4) submit resolutions and call for vote;
 - 5) appoint a person responsible for preparing the minutes and recording resolutions in the minutes;
 - 6) close the meeting.

§ 7

Resolutions of the Board of Directors

1. The Directors shall make decisions in the form of resolutions.
2. The Directors shall be deemed to pass binding resolutions provided that all Directors have been notified of the meeting correctly.
3. Vote at the meetings of the Board of Directors shall be open. Each Director shall have the right to request secret ballot.
4. The resolutions of the Directors shall be passed by an absolute majority of votes cast.
5. Subject to the foregoing, the resolutions of the Board of Directors shall be passed at the meetings of the Board of Directors. The Directors may pass resolutions in writing without holding the meeting provided that all Directors have received a draft of a given resolution to be passed and have given their consent to that resolution being passed in writing.
6. Any Director that does not accept the resolution may have his/her justified dissenting opinion recorded in the minutes.
7. The Directors shall grant authorisations on a unanimous basis. The authorisation may be terminated by each Director.
8. If the Company's interest conflict with the Director's interest or interests of the Director's spouse, next of kin or in-law to the second degree or persons the Director is personally related to, the Director shall refrain from taking part in making decisions on those issues and may request that fact to be recorded in the minutes from the meeting.

§ 8

Minutes from the meeting

1. The minutes from the meeting shall be prepared by a person delegated by the chairman of the meeting. Subject to the consent of all Directors attending the meeting, the minutes from the meeting may be waived.
2. The minutes from the meeting of the Board of Directors shall include in particular:
 - 1) the date and place of the meeting, as well as a statement that the meeting has been duly called;
 - 2) full names of participants in the meeting;
 - 3) the meeting agenda;
 - 4) a brief description of discussions;
 - 5) dissenting opinions;
 - 6) the content of resolutions;
 - 7) the result of vote on individual resolutions, including all dissenting votes;
 - 8) other important circumstances.
3. The resolutions shall be marked with consecutive numbers.
4. The resolutions passed at the meeting shall be signed at that meeting by all Directors

- that attend the meeting. If the minutes from the meeting are drawn up, the minutes containing the resolutions shall be accepted and signed by all Directors that attend the meeting at the latest within 7 (seven) days after the meeting.
5. Written resolutions shall be recorded in the book of resolutions and minutes.
 6. The Directors' resolution shall be binding when it is passed and signed or when the minutes from the meeting containing the resolution is signed, unless the resolution provides for another effective date.
 7. The Directors may issue true copies of their resolutions if necessary or recommended in connection with the Company's economic activity. True copies of resolutions shall be certified by the President of the Board of Directors and shall bear the date of adoption.
 8. Each Director shall have the right to view the book of minutes and resolutions.

§ 9 Miscellaneous

1. On the mandate expiry date, the Director that leaves the Board of Directors shall inform the President of the Board of Directors about issues that he/she managed as the Director and submit all documentation of the Company and information or data carriers that are in the Director's possession. At a request of each Director, the Director leaving the Board of Directors shall submit a detailed report on the Company's affairs he/she has managed within 14 (fourteen) days of the mandate expiry date. The report shall be submitted to the President of the Board of Directors. The report shall be always submitted to the Company's registered office. If the affairs, documents and data carriers cannot be submitted to the President of the Board of Directors, then a person authorised to receive them is any Director that is present at the Company's registered office. The foregoing shall be without prejudice to other lawful obligations of a former Director of a joint stock company.
2. These Rules shall come into force as of their approval by the Supervisory Board in accordance with the Code of Commercial Companies and Company's Articles of Association. All amendments to these Rules shall be subject to a resolution of the Supervisory Board.