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Certified translation from the Polish language. -/-

Appendix to the Resolution of  
the Supervisory Board of 20 November 2001r

## **REGULATIONS of the Supervisory Board of Fabryka Kotłów RAFAKO Spółka Akcyjna in Racibórz**

### **I. General provisions.**

#### **§ 1**

1. Whenever the regulations mention:

- 1.1. the Company – it refers to Fabryka Kotłów RAFAKO S.A.
- 1.2. the General Meeting – it refers to the General Meeting of Shareholders of Fabryka Kotłów RAFAKO S.A.
- 1.3. the Board – it refers to the Supervisory Board of Fabryka Kotłów RAFAKO S.A.
- 1.4. the Management – it refers to the Management Board of Fabryka Kotłów RAFAKO S.A.

#### **§ 2**

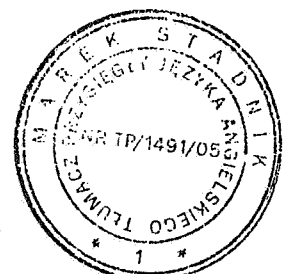
1. The Board constantly supervises the activities of the Company in all spheres of its operation.
2. The Supervisory Board performs its duties on the basis of the Code of Commercial Companies, of the Statute of the Company accepted according to the content determined in the notarial deed of 12 January 1993 together with further amendments, as well as on the grounds of the resolutions of the General Meeting and of these Regulations.

### **II. Composition and the mode of appointing the Board.**

#### **§ 3**

1. The Board shall consist of 5 to 7 members. The number of the Board members shall be determined by the General Meeting.
2. Members of the Board are elected by the General Meeting.

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3. The retiring members of the Board may be elected again for the next term of office.
4. The Audit Committee designated by the Board from among its members shall act within the framework of the Board. The Regulations of the Audit Committee shall be approved by the Board.

#### § 4

The General Meeting can, at any time, remove the members the Board who were appointed by it. The removal of the Board or its members during their term of office requires a majority of three quarters of the votes cast.

#### § 5

1. Members of the Board perform their powers and duties personally,
2. Remuneration of the members of the Board shall be determined by the General Meeting.

#### § 6

1. The joint term of office of the Board is five years.
2. The mandates of the Board members expire:
  - 1) at the end of their term of office, at the date of holding a General Meeting which is to accept the financial statements for the last financial year of their term of office,
  - 2) in the event a member of the Board hands in his resignation from his/her position, at the time the Company receives his/her letter of resignation,
  - 3) in case of removal of any Board member by the General Meeting at the date of passing an appropriate resolution,
  - 4) in case of death of a Board member.

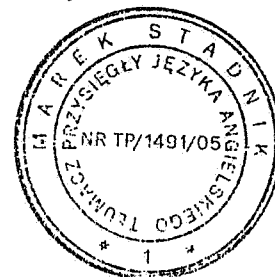
#### § 7

1. The Board shall appoint, from among its members, the Chairperson of the Board, his/her deputy and the Secretary of the Board.
2. The appointment mentioned in item 1 above shall be taken by an absolute majority of votes cast in a secret vote by members of the Board present at a meeting,
3. The Board may remove its Chairperson, his/her deputy and the Secretary of the Board.

#### § 8

The Chairperson of the Board or a person designated by him/her opens a session of the General Meeting and orders the appointment of a Chairperson of the said session.

*March Andrzej*



### III. The scope of activities of the Supervisory Board.

#### § 9

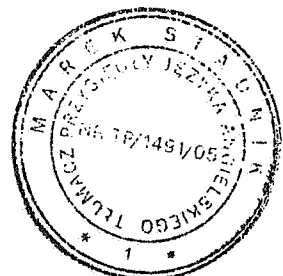
1. The Board shall exercise permanent supervision over the activities of the Company.
2. The Board is particularly entitled to:
  - 1) evaluate the report of the Management on the operations of the Company and the financial statement,
  - 2) evaluate the proposals of the Management concerning the distribution of profits or the financing of losses,
  - 3) submit to the General Meeting a written report on the results of activities mentioned in 1. and 2. above,
  - 4) determine the number of members of the Board,
  - 5) appoint and remove the President and other members of the Management , as per the terms defined by the Statute of the Company and the Code of Commercial Companies,
  - 6) suspend any member or all members of the Management from duties, for significant reasons,
  - 7) delegate a member or members of the Board to temporarily perform the duties of on the Management of the Company in case a member of the Management or the whole Management has been removed or suspended, or in case the Management can not perform its duties for other reasons,
  - 8) accept the Regulations of the Management,
  - 9) establish the rules concerning the remuneration of the members of the Management,
  - 10) represent the Company in all agreements and disputes with the Management or with its individual members,
  - 11) approve the Company's annual budget and long-term strategic plans,
  - 12) approve the Company's annual debt limits,
  - 13) appoint a chartered accountant to audit the financial statement,
  - 14) convene a General Meeting when the Management did not convene such a one at the assigned time, or, whether, in spite of submitting a motion by the authorized entities, the Management did not convene the General Meeting at the time of two weeks from the date of a motion,
  - 15) the right to demand that particular matters be included in the agenda of the next General Meeting,
  - 16) express an opinion on the motions of the Management placed on the agenda of the General Meeting.

#### § 10

The Board may express its opinion on all matters concerning the Company and propose motions and initiatives to the Management Board.

The Board has the right to demand, for its own purposes and at the cost of the Company, that expertise and analyses be made with respect to matters which fall

*Marek Stachniak*



within its jurisdiction. Contracts for employment of experts shall be signed by the Management upon a motion of the Chairperson of the Board.

#### § 11

The Board and its individually delegated members have the right to control the full scope of the Company's activity, and in particular to:

- 1) control all files and documents,
- 2) make an inspection of Company's assets and carry out a financial control,
- 3) demand that the Management present all materials and documents concerning the Company,
- 4) demand reports and explanations from the Management Board and Company's employees.

#### IV. Method of convening and presiding at meetings.

#### § 12

1. A written notice of a scheduled meeting of the Board together with a draft agenda should be signed and sent out by the Secretary of the Board at least ten days before its date. In substantiated cases the Chairperson of the Board may shorten the said time limit. A copy of the notice shall be submitted to the Board.
2. For the validity of resolutions of the Board it is required that all members of the Board be invited to its meeting and at least half of its members be present at it.

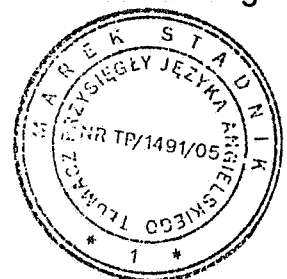
#### § 13

1. Meetings of the Board are convened by its Chairperson and, in case of his/her absence, by his/her deputy.
2. A meeting of the Board can also be convened at a written request of the Management or a member of the Board. Such a request should determine the subject matter of the meeting in question.
3. A meeting of the Board convened on the initiative of the Management or a member of the Board shall be held not later than fourteen (14) days from the date of proposing a motion relating to this matter.
4. The Chairperson of the Board of the previous term shall convene and open the first session of the newly appointed Board and shall preside at it till a new Chairperson has been elected.

#### § 14 \*\*

1. The Board shall hold its meetings at least once a quarter.
2. Meetings of the Board shall be chaired by the Chairperson and, in case of his/her absence, by his/her deputy or another person appointed from among the Board members present.

*Marek Stodur*



§ 15

1. Invited members of the Management as well as other persons invited by the Board may take part in a Board meeting, without the right to participate in voting.
2. A Board member who has been delegated to temporarily perform the duties in the Management may participate in Board meetings, but without the right to participate in voting.

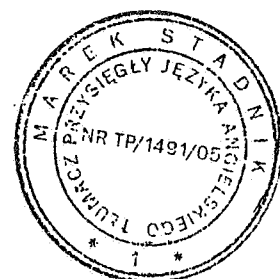
§ 16

1. The Board takes decisions in the form of resolutions. A resolution may not be adopted in case of subjects not included in the agenda, unless all members of the Board are present and nobody raises an objection.
2. Resolutions of the Board shall be adopted by an absolute majority of votes, in case of an equal number of votes, the Chairperson shall have a casting vote. A member of the Board has the right to propose a contrary opinion to the minutes.
3. Voting at meetings of the Board shall be open, with the exception of cases determined in these Regulations, the Statute of the Company and the Code of Commercial Companies.
4. The Chairperson orders a secret vote upon a motion of at least one member of the Board.
5. A vote on appointment, removal or suspension in duties of any Board member shall always be held as secret.
6. The Board members may participate in adopting resolutions of the Board casting their votes in writing through another member of the Board. Casting a vote in writing can not concern matters included in the agenda during the meeting of the Board and relating to the election of the Chairperson of the Board, his/her deputy and a member of the management as well as the removal and suspension from duties of the said persons.
7. The Board may pass resolutions in written form or through the means of instantaneous communication provided that all members of the Board have been duly notified of the contents of a draft resolution, with the exception of the election of the Chairperson of the Board, his/her deputy and the appointment of a member of the Management as well as the removal and suspension from duties of the said persons.
8. Resolutions of the Board are signed by a Chairperson of a meeting and by the Secretary of the Board.

§ 17

1. The Minutes of the Board meetings shall be duly drawn up.
2. The Minutes should include, in particular:
  - 1) the consecutive number of the minutes,
  - 2) the date and place of holding a meeting,
  - 3) the attendance list of the members of the Board,
  - 4) the approved agenda,
  - 5) contents of resolutions and results of voting,
  - 6) contrary opinions which were proposed.

*Marek Stachurski*



3. The Minutes shall be signed by all members of the Board present at the meeting.
4. Minutes of the Board meetings shall be placed in the registered office of the Company for safe-keeping in the minutes register kept by the Secretary of the Board, and their copies shall be handed over to the members of the Board.

§ 18

1. The costs relating to the performance of duties by the Board shall be born by the Company.
2. The Board shall make use of the office space, equipment and materials of the Company, which shall also be responsible for providing the Board with administrative and technical service.
3. The Secretary of the Board shall be responsible for proper office service.

**V. Final provisions.**

§ 19

The information obtained by the members of the Board with regard to the duties performed by them is the official secrecy.

§ 20

1. The Board shall jointly perform their duties.
2. The members of the Board shall individually exercise their right to supervision only on the basis of an appropriate resolution of the Board.
3. The members of the Board who have been delegated to perform individual and constant supervision shall receive separate remuneration, the amount of which shall be determined by the General Meeting. Prohibition of competition shall apply to such members of the Board.
4. Prohibition of competition shall also apply to the members of the Board who have been delegated to temporarily perform duties in the Management Board.

§ 21

The members of the Board shall incur civil and criminal responsibility for the activity to the detriment of the Company.

§ 22

Changes to these Regulations may be introduced through the resolutions of the Board.

§ 23

These Regulations shall come into force on the day of adopting the resolution, i.e. on November 20<sup>th</sup>, 2001.

I, Marek Stadnik, sworn translator of English do hereby confirm that the above is a true and correct translation of the original document.  
Signed and sealed this 22<sup>nd</sup> day of December, 2008.-/-  
Translator's register no. 200/2008

*Marek Stadnik*  
Marek Stadnik

