

Current Report No. 43/2009

(Friday, 6 November 2009)

Legal basis: Article 56 (1) (2) of the Public Offering Act – current and periodic information and § 38 (2)(1) of the Ordinance of Minister of Finance of 6 August 2009 on current and periodic information submitted by the issuers of securities ((Dz. U. (Journal of Laws) No. 131 item 1080)

Draft Amendments to the Statutes of the Company

The Management Board of AB S.A. hereby presents draft amendments to the Statutes of AB S.A.

Overview of the amendments to the Statutes of AB Spółka Akcyjna as proposed by the Management Board at the General Meeting of Shareholders on 4 December 2009

The proposed amendments to the Statutes may be divided into three categories:

1. Consequential amendments arising from amendments to statutory law:
 - 1.1. The amendment to Art. 4 section 1 results from amendments introduced to PKD (Polish Classification of Activity), cancellation of Art. 14 section 3 is due to the fact that the The Code of Good Practices of 4 July 2007 does not provide for any special rights of independent members of the Supervisory Board, which used to be the case under previous regulations.
 - 1.2. The amendment to Art. 17 and 18 results from the amendments made to The Code of Commercial Companies and Partnerships binding as of 3 August 2009.
2. The amendment to Art. 5 (1) and Art. 5 (2) stems from the resolution on the conversion of some shares Series C into bearer shares Series C1.
3. The amendments to Art. 5 (1) (b) and Art. 5 (3) (a), Art. 6, Art. 7, Art. 12, Art. 13 (12), Art. 21 (3) consist in cancellation of all non-valid entries and have been introduced to clarify the Statutes.

All amendments have been highlighted in detail below against the background of the whole Statutes:

THE STATUTES OF "AB S.A." THE SCOPE OF THE AMENDMENTS AS PROPOSED

THE STATUTES OF THE COMPANY

I. GENERAL PROVISIONS

Article 1

The name of the Company shall be „**AB Spółka Akcyjna**” The Company may use the abbreviation “**AB S.A.**” and its distinctive logo. -----
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Article 2

1. The Company shall have its registered office in Wrocław. -----

2. The founders of the Company shall be as follows: -----

1) Andrzej Przybyło, domiciled in Wrocław at ul. Rogowska 144/9, -----

2) Iwona Przybyło, domiciled in Wrocław at ul. Rogowska 144/9, -----

3) Polish Enterprise Fund, L.P. with its registered office at 375 Park Avenue, New York 10152, USA--
hereinafter referred to as “**Founders**”. -----

Article 3

1. The Company shall operate within the territory of the Republic of Poland and abroad. -----

2. The Company may establish branches and open offices as well as other organizational units, it may also hold shares in other companies and undertakings within the territory of the Republic of Poland and abroad. --

3. The Company has been incorporated for an unlimited period. -----

II. OBJECTS OF THE COMPANY

Article 4

1. The objects of the Company shall be: -----

1. 46.51.Z Wholesale of computers, computer peripheral equipment and software
2. 46.52.Z Wholesale of electronic and telecommunications appliances and parts thereof
3. 47.41.Z Retail sale of computers, computer peripheral equipment and software in specialized stores
4. 47.42.Z Retail sale of telecommunication appliances in specialized stores
5. 47.43.Z Retail sale of audiovisual appliances in specialized stores
6. 46.14.Z Agents involved in the sale of machinery, industrial equipment, ships and aircraft.
7. 95.11.Z Maintenance and repair of computers and peripheral equipment
8. 95.12.Z Maintenance and repair of telecommunication appliances
9. 95.21.Z Maintenance and repair of consumer electronics
10. 62.02. Z Computer consultancy activities

11. 62.01.Z Computer programming activities
12. 62.09.Z Other IT service activities
13. 52.10. B Warehousing and storing of other goods
14. 49.41.Z Transport by road
15. 52.29.C Other transport activities
16. 73.11.Z Advertising activities
17. 73.12.A Agency in the sale of advertising time and space in radio and television
18. 73.12.B Agency in the sale of advertising space in printed media
19. 73.12.C Agency in the sale of advertising time and space in electronic media (Internet)
20. 73.12.D Agency in the sale of advertising time and space in other media
21. 58.19.Z Other publishing activities
22. 18.12.Z Other printing activities
23. 68.20.Z – Rental and management of own or leased real estate
24. 85.59.B Other education, not classified elsewhere

- ~~1) retail and wholesale trade of computer hardware, telecommunications, multimedia and electronic equipment, for its own account, through consignment store, by agency or trade brokerage;~~
- ~~2) import and export of computer hardware, telecommunications, multimedia and electronic equipment;~~
- ~~3) developing software products and trade thereof;~~
- ~~4) installing IT networks;~~
- ~~5) providing assembly and repair services for computer hardware, telecommunications, multimedia and electronic equipment;~~
- ~~6) internet services;~~
- ~~7) maintenance services;~~
- ~~8) IT consulting;~~
- ~~9) deploying computer systems~~
- ~~10) promotional, advertising and marketing services;~~
- ~~11) training, publishing and printing services;~~
- ~~12) keeping customs bonded warehouses;~~
- ~~13) shipping and transport services;~~
- ~~14) lease of rooms;~~
- ~~15) purchasing machinery, hardware and equipment for own purposes.~~

~~2. Any economic activity requiring, under separate provisions, concessions or permits shall be conducted by the Company only after obtaining such concessions and permits. -----~~

~~3. The change of objects of the Company requires a resolution of the General Meeting adopted by a two-thirds majority of votes in the presence of the shareholders representing at least half of the share capital. The binding force of such a resolution is not contingent on the buyout of shares of the shareholders who do not agree to such a change. -----~~

III. CAPITAL AND SHARES

Article 5

1. The share capital of the Company shall be PLN 15,950,002 (fifteen million nine hundred and fifty thousand and two zloty). The share capital of the Company shall consist of 15,950,002 (fifteen million nine hundred and fifty thousand and two) shares of the nominal value of PLN 1.00 each, including:-----

- 1) 2,729,971 (two million seven hundred and twenty nine thousand nine hundred and seventy one) ordinary bearer shares series A1, -----
- 2) 1,313,000 (one million three hundred and thirteen thousand) privileged registered shares series B,-----

Komentarz [MC1]: Historical provisions

- 3) ~~2,874,758 (two million eight hundred seventy four thousand seven hundred and fifty eight) ordinary registered shares series C, 3,944,052 (three million nine hundred forty four thousand fifty two) ordinary shares C series,~~ -----
- 4) 202,000 (two hundred and two thousand) ordinary bearer shares series D, -----
- 5) 1,910,979 (one million nine hundred and ten thousand nine hundred and seventy nine) ordinary bearer shares series E -----
- 6) 1,600,000 ordinary bearer shares series F,-----
- 7) 4,250,000 ordinary bearer shares series I,-----
- 8) ~~1,069,294 (one million sixty nine thousand two hundred and ninety four) ordinary bearer shares series C1,~~ -----

Komentarz [MC2]: The amendment arises from the resolution on the conversion of shares series C into bearer shares series C1

~~1a.~~ Pursuant to the resolution of the General Meeting No. 22/2006 of 30 May 2006, the share capital has been conditionally increased by no more than PLN 290,000 (two hundred and ninety thousand zloty) via the issue of no more than 290,000 (two hundred and ninety thousand) bearer shares series G-----

1b. Series B shares, as long as belonging to Andrzej Przybyło, are privileged with regard to the right to vote in that one share series B corresponds to two votes at the General Meeting. All shares series B shall cease to be privileged as of: (i) the transfer of ownership title of at least one share series B to other person than Andrzej Przybyło, unless the ownership title to registered shares series B is transferred to the spouse or descendants of Andrzej Przybyło or acquired by the successors of Andrzej Przybyło by way of inheritance ~~and (ii) upon the lapse of 1 March 2007, unless the first shares of the Company are floated until this date,~~ -----

Komentarz [MC3]: Historical provision

1.c. Pursuant to the resolution of the General Meeting No. 19/2007 of 21 September 2007, the share capital has been conditionally increased by not more than PLN 5,355,710 (five million three hundred and fifty five thousand seven hundred and ten zloty) via the issue of not more than 5,355,710 (five million three hundred and fifty five thousand seven hundred and ten) bearer shares series I.-----

1.d. Pursuant to the resolution of the General Meeting No. 22/2007 of 21 September 2007, the share capital has been conditionally increased by not more than PLN 402,000 (four hundred and two thousand zloty) via the issue of not more than 402,000 (four hundred and two thousand) bearer shares series J.-----

1.e. Pursuant to the resolution of the General Meeting No. 25/2007 of 21 September 2007, the share capital has been conditionally increased by no more than PLN 115,000 (one hundred and fifteen thousand zloty) via the issue of no more than 115,000 (one hundred and fifteen thousand) bearer shares series K.-----

2. The Company may issue registered shares and bearer shares. All shares series B and shares series C are registered shares. Shares series A1, shares series D, ~~shares series E, shares series F, shares series I and shares series E-C1~~ are bearer shares. -----

Komentarz [MC4]: Arises from the conversion of a number of shares series C into shares series C1

3. Converting bearer shares into registered shares shall be excluded. Subject to section 3a below, conversion of registered shares into bearer shares may be carried out at the request of the shareholder, by resolution of the Management Board which should be adopted within 14 (fourteen) days of submitting a written request for the conversion of shares to the Management Board. The request shall include the quantity of the registered shares to be converted and their respective numbers. In case registered shares are converted to bearer shares, the Management Board puts an item concerning the amendment to Statutes with regard to the quantity of registered shares on the agenda of the next General Meeting. The aforesaid resolution of the Management Board shall be effective as of granting consent by the Supervisory Board to convert registered shares into bearer shares. -----

3a. ~~Until the date of the lapse of 18 months from the date of floating the first shares of the Company, however, not later than until 30 April 2008, the Shares of B and C series (i) may not be converted into bearer shares and (ii) are subject to the ban on disposal of shares~~

4. The share capital may be increased by issuing new shares or by increasing the nominal value of shares pursuant to the resolution adopted by the General Meeting. The current shareholders shall have the transferrable pre-emptive right to acquire shares from new issues proportionally to the shares held. -----

5. Shares may be cancelled upon the consent of the shareholder (voluntary redemption). The conditions and mode of voluntary redemption shall be specified by the resolution of the General Meeting. -----

IV TRANSFER OF SHARES

Article 6

1. Shares shall be transferrable.

2. Until the day of quoting the Company's shares on the stock exchange, in the event of any of the Shareholders ("Selling Shareholder") intending in good faith to sell their registered shares of the Company to a third party that is not a shareholder of the Company holding registered shares ("Proposed Buyer"), other shareholders of the Company who are holding registered shares ("Other Shareholders") shall have priority rights to the said shares, on terms and conditions set forth herein ("Priority Right"), unless any binding agreement between the Selling Shareholder and Other Shareholders provides otherwise.

3. The Selling Shareholder shall notify each of the Other Shareholders on the intention of selling his registered shares of the Company to the Proposed Buyer. The notification shall take the form of a written representation, including:

- 1) number and type of shares to be sold ("Sold Shares"), the price for selling the Sold Shares ("Specified Price"), other relevant terms and conditions of the agreement and information on the Proposed Buyer;
- 2) the offer for selling all Sold Shares for Specified Price ("Offer for Sale");

4. Each of the Other Shareholders shall have the right to accept the Selling Offer within 90 (ninety) days from the date of receiving the Offer by submitting a written declaration to the Selling Shareholder ("Declaration of Acceptance of the Offer for Sale");

5.

In the event of, pursuant to the applicable provisions of law, the acquisition of the Company's shares by any of the Other Shareholders requiring obtaining prior consents or permits, the deadline for accepting the Offer for Sale, set forth in the preceding section, shall be prolonged until the case is cognized and the relevant authority issues the decision, and shall expire upon the lapse of 3 (three) days from delivering to the shareholder the relevant decision, on condition that the shareholder submits an appropriate application for issuing such consent or permit within the non-extendable deadline of 14 (fourteen) days from the date of receiving the Offer for Sale.

6. In the event of accepting the Offer for Sale by more than one of the Other Shareholders ("Accepting Shareholder"), the Accepting Shareholders shall acquire all Sold Shares from the Selling Shareholders proportionally to their mutual share in the share capital of the Company, whereby the transfer of ownership of the Sold Shares to each of the Accepting Shareholders shall be conditional upon the payment of the Specified Price within 7 (seven) days from the date of submitting the Declaration of Acceptance of the Offer for Sale.

7. Should none of the Other Shareholders submit the Declaration of Acceptance of the Offer for Sale within the deadline set forth in section 4 or 5 above, PEF shall have the right to join the Selling Shareholder in the transaction of selling the Sold Shares to Proposed Buyer, on terms and conditions specified below ("The Tag Along Right"). Should the sale of shares by PEF require, pursuant to the relevant provisions of the law, obtaining prior consents or permits, the Tag Along Right shall be valid subject to condition precedent that PEF obtains the said consents and permits;

8. In order to execute the Tag Along Right, the Selling Shareholder shall be obligated to ensure that the Proposed Buyer submits to PEF the offer for acquiring all shares of the Company that PEF holds, for the price and on terms and conditions offered by the Proposed Buyer to the Selling Shareholder ("Offer for Acquisition on Tag Along Basis");

9. PEF shall have the right to accept the Offer for Acquisition on Tag Along Basis within 30 (thirty) days from the date of reception of the Offer, by submitting to the Selling Shareholder and the Proposed Buyer a written declaration ("Declaration of Acceptance of the Offer for Acquisition on Tag Along Basis"). Should the sale of the shares of the Company by PEF require, pursuant to the relevant provisions of the law, obtaining prior consents or permits, the deadline for accepting the Offer for Acquisition on Tag Along Basis, set forth in the preceding sentence, shall be prolonged until the case is cognized and the relevant authority issues the decision, and shall expire upon the lapse of 3 (three) days from delivering to PEF the relevant decision, on condition that PEF submits an appropriate application for issuing such consent or permit within the non-extendable deadline of 14 (fourteen) days from the date of receiving the Offer for Acquisition on Tag Along Basis.

10. Within 7 (seven) days from receiving the Declaration of Acceptance of the Offer for Acquisition on Tag Along Basis by the Shareholder, PEF shall sell the shares to the Proposed Buyer.

11. Should PEF fail to submit the Declaration of Acceptance of the Offer for Acquisition on Tag Along Basis within the deadline specified in section 9 above, the Selling Shareholder shall have the right to sell the Sold Shares to the Proposed Buyer, with the reservation that in the event of the Selling Shareholder failing to sell the Sold Shares within 180 (one hundred eighty) days from the date of the Offer for Sale, specified in section 3 above, the shares shall cease to be Sold Shares and shall not be eligible for sale without following the procedure set forth herein.

12. Subject to the provisions of sections 13 and 15 below, the sale of registered shares of the Company by the Shareholder to a person who is not the Company's shareholder holding registered shares without following the procedure set forth herein shall be

13. The provisions hereof shall not apply to the sale of shares as part of the motivation plan for the Company's key employees, approved by the Supervisory Board, according to the provisions hereof.

14. Until the moment that any of the Company's shares are quoted on the stock exchange, the Proposed Buyer of Affiliated Entity that intends to purchase or in other way acquire the Sold Shares shall be obligated to conclude with the Other Shareholders an agreement regulating the relationships between the shareholders, should such agreement be in existence, and the Proposed Buyer or the Affiliated Entity shall be able to purchase or in other way acquire the Sold Shares solely under the condition of accepting and signing such agreement required by the Other Shareholders;

15. The procedure defined in this Art. 6 sec. 1-14 shall not apply to the sale of the Company's shares by PEF to the Affiliated Entity or in the event of selling the Company's shares of a public offering;

16. The pledge on registered shares of the Company may be established solely upon the consent of the Supervisory Board.

Article 7

1. To the organized offer for sale of the Company's shares in public offering or of more than 20% of the Company's shares in non public trade, including conducting the offer for sale of the Company's shares abroad, consisting of:

1) drawing up a document that shall serve the potential investors as the base for making investment decisions (i.e. a prospectus, informational memorandum or other document with similar function);

2) conducting a presentation of the Company to selected investors or groups of investors, and

3) conducting the specified process of determining the price (i.e. a special trading session or "book-building") and other terms and conditions of selling of the Company's shares to the investors and specifying the buyers; ("Organized Offering") the provisions of this Article 7 shall apply.

2. The Management Board, upon the written request of the shareholders representing jointly at least 25% (twenty-five per cent) of the Company's share capital, shall be obligated to take every step, including disclosing information on the Company to the authorities authorized under applicable provisions of law, in order to conduct the Organized Offering; such request should specify the preferred manner of offering of the Company's shares. The Company shall be obligated to disclose the information concerning the Company to entities other than authorized authorities, on condition of concluding an agreement on confidentiality of the disclosed information, with the provisions thereof satisfactory to the Company.

3. The Company shall bear all documented expenses related to the drawing up of the document mentioned in section 1 (i) above. Any other expenses with respect to conducting the Organized Offering, including, without limitation, any costs of consultations for the Company on this subject and the appointing of financial and legal advisors representing the shareholders, whose shares are to be included in the Organized Offering, shall be borne by the Company solely in the event of a simultaneous inclusion in the Organized Offering of the Company's shares that are held by the Fund, Ms Iwona Przybyło and Mr. Andrzej Przybyło. In other cases the expenses shall be borne by the shareholders offering their shares as part of the Organized Offering. Notwithstanding the provisions in the preceding sentences, the costs of commission, discounts and other remuneration dependent on the value of the sale of shares to the underwriter, brokerage office or the shareholders' advisors shall each time be borne by the shareholders offering their shares as part of the Organized Offering.

4. Should conducting the Organized Offering require concluding an agreement for underwriting with one or more underwriters:

1) the shareholders holding the majority of shares that are to be offered as part of the Foreign Offering; the choice of the underwriter shall be subject to the consent of the Supervisory Board of the Company; The Supervisory Board may not deny their consent without providing reason;

2) the Management Board shall on behalf of the Company conclude with the underwriters all agreements necessary for conducting the Organized Offering, containing representations and declarations of the Company, and other provisions typical for agreements concluded to this end.

5. The Management Board, in the scope required for carrying out transactions of this type, shall be obligated to:

1) enable the shareholders of the Company, whose shares are to be included in the Organized Offering, their advisors and chartered auditors access and amendments to the drafts of all documents prepared by the Management Board with respect to the Organized Offering, in the scope that, pursuant to the provisions of law, the shareholders offering their shares as part of the Organized Offering, their advisors and chartered auditors shall be liable for the content and form of such documents;

2) provide the shareholders of the Company, whose shares are to be included in the Organized Offering, their advisors and chartered auditors with access to the Company's books and documents as well as enable them contact with the Company's senior managers and chartered accountants to examine the Company's standing to an extent specified by the provisions of law, applying to the Organized Offering, including in particular the provisions regulating public issuing of securities; 3) participate in presentations aimed at potential investors provided that it does not preclude it from or seriously hinder performing of the current duties related to conducting activity on an ongoing basis, arising from the Statutes or the provisions of law in force.

6. The provisions of this Art. 7 cease to be binding as of selling at least one share of the Company under a public

offering;

V. GOVERNING BODIES OF THE COMPANY

Article 8

The governing bodies of the Company shall be: -----

- 1) The Management Board;-----
- 2) The Supervisory Board-----
- 3) The General Meeting. -----

A. THE MANAGEMENT BOARD OF THE COMPANY

Article 9

- 1. The Management Board of the Company shall consist of one to seven members, including the President of the Management Board, appointed and removed by the Supervisory Board. -----
- 2. The Management Board shall be appointed for a common two-year term of office. -----
- 3. The meetings of the Management Board shall be convened as specified in the Regulations of the Management Board adopted by the Management Board and approved by the Supervisory Board, the division of competences among the members of the Management Board shall also be stipulated therein. -----

Article 10

- 1. The Management Board of the Company shall manage the Company's activities and represent it towards third parties. -----
- 2. Any and all matters related to the running of the Company's undertaking which by law or these Statutes have not been assigned as belonging to the competences of the General Meeting or the Supervisory Board shall be settled by the Management Board. Prior to taking action which pursuant to the provisions of the Code of Commercial Companies and Partnerships or the provisions hereof requires the approving resolution of the Supervisory Board or the General Meeting, the Management Board shall turn to the Supervisory Board or the General Meeting of the Company with a view to obtaining relevant consent.
- 3. If the Management Board is composed of several members, making representations and signing on behalf of the Company shall be entrusted with the President of the Management Board acting independently, two members of the Management Board acting jointly or one member of the Management Board acting jointly with the commercial representative. -----

Article 11

- 1. The right of particular or all members of the Company's Management Board to perform their duties may be suspended by resolution of the Supervisory Board due to compelling reasons. -----
- 2. In the agreement between the Company and a member of the Management Board as well as in disputes between a member of the Management Board and the Company, the Company shall be represented by the Supervisory Board or a commercial representative appointed by resolution of the General Meeting. -----

B. THE SUPERVISORY BOARD

Article 12

- 1. The Supervisory Board shall be composed of six members, appointed and removed by the General Meeting subject to sections 3 – 7 below. Subject to section 2 below, the Supervisory Board shall have the right to make all and any decisions within its scope of activity provided that it is composed of at least three members,

Komentarz [KK5]: Historical provision

Komentarz [MC6]: Historical provision

and at least five members as of obtaining by the Company the status of a company admitted to public trading.

~~2. By the time the Company is publically traded, the President of the Supervisory Board shall be appointed by Iwona Przybyło and Andrzej Przybyło, and Deputy President of the Supervisory Board shall be elected by PEF. The declaration of Iwona Przybyło and Andrzej Przybyło appointing or removing a member of the Supervisory Board shall be effective if signed by both entitled Shareholders. As of the date of floating the first shares~~ The President of the Supervisory Board shall be elected from among the members of the Supervisory Board by the members thereof.

Komentarz [KK7]: Historical provision

~~3. PEF appoints and removes three members of the Supervisory Board. Subject to section 3a, the aforesaid right of PEF to appoint and remove three members of the Supervisory Board expires if:~~

- ~~1) the share of PEF in the share capital of the Company decreases below 10% or~~
- ~~2) as at 31 December 2004, entities other than the Company's shareholders acquire from PEF at least one share under public subscription or IPO, or~~
- ~~3) the Company's shares are floated.~~

~~3a. If the right of PEF, referred to in section 3, expired, and the share of PEF in the share capital of the Company is still at least 10%, then PEF appoints and removes one member of the Supervisory Board.~~

~~4. Iwona Przybyło and Andrzej Przybyło appoint and remove three members of the Supervisory Board. The declaration of Iwona Przybyło and Andrzej Przybyło on appointing or removing a member of the Supervisory Board shall be effective if signed by both of the entitled Shareholders. Subject to section 4a, the aforesaid right of Iwona Przybyło and Andrzej Przybyło to appoint and remove three members of the Supervisory Board expires if:~~

- ~~a) Iwona Przybyło and Andrzej Przybyło hold jointly a number of the Company's shares entitling them to exercise less than 10% of the total number of votes at the General Meeting, or~~
- ~~b) as at 31 December 2004, entities other than the Company's shareholders acquire from Iwona Przybyło and Andrzej Przybyło at least one share under public subscription or IPO, or~~
- ~~c) the Company's shares are floated.~~

~~4a. If the right of Iwona Przybyło and Andrzej Przybyło, referred to in section 4 expired, and Iwona Przybyło and Andrzej Przybyło still hold jointly a number of the Company's shares entitling to exercise at least 10% of the total number of votes at the General Meeting, Iwona Przybyło and Andrzej Przybyło appoint and remove one member of the Supervisory Board. The representation of Iwona Przybyło and Andrzej Przybyło appointing or removing a member of the Supervisory Board shall be effective if signed by the both entitled Shareholders.~~

Komentarz [MC8]: Historical provision

5. As of the date at which one of the persons indicated in section 4 ceases to be the Shareholder of the Company, the other Shareholder indicated in section 4, still holding the shares of the Company, shall have the entitlements set forth in sections 2,4 and 4a to appoint and remove members of the Supervisory Board and appoint the President of the Supervisory Board independently.

~~6. Subject to section 7, as of admitting the Company's shares to trading on the listed market~~ At least three members of the Supervisory Board shall be Independent Members. The following criteria shall be met by Independent Members to qualify:

Komentarz [MC9]: Historical provision

- 1) An Independent Member shall not be the person who has been a member of the Management Board or a commercial representative of the Company in the past five years,
- 2) An Independent Member shall not hold a senior management position in the Company or in an affiliate, it may not be a person who has held such a position within the past three years. The position of senior management shall mean the position of a manager or director of organizational units of the Company reporting directly to the Management Board of the Company or particular members of the Management Board,

- 3) An Independent Member may not receive, from the Company or an affiliate, remuneration other than on account of performing the function in the Supervisory Board, including in particular due to participation in a stock options programme or other result-oriented incentives,
- 4) An Independent Member may not hold shares constituting 10% of the share capital of the Company, nor be related to such a shareholder or representing such a shareholder,-----
- 5) An Independent Member may not be a person who currently maintains or in the past year maintained substantial relations with the Company or an affiliated entity, either directly or as a partner, shareholder, member of the management board, commercial representative or senior manager in an entity maintaining such relations with the Company or an entity affiliated with the Company. Substantial business relations shall mean business relations whose value exceeds 5% of the proceeds of the Company for the last trading year,-----
- 6) An Independent Member shall not be the person who currently is or has been a partner or employee of the current or former auditor of the Company in the past three years,-----
- 7) An Independent Member may not be a member of the Management Board or commercial representative of another Company where the member of the Management Board or the commercial representative of the Company performs the function of the member of the Supervisory Board,-----
- 8) An Independent Member may not perform the function on the Supervisory Board for longer than three terms of office,-----
- 9) An Independent Member may not be a spouse of or in close affinity to the member of the Management Board, commercial representative or persons referred to in (a) - (h) above. Close affinity shall mean second-degree blood and in-law relatives. -----

~~7. If PEF, pursuant to section 3a, and Iwona Przybyło and Andrzej Przybyło, pursuant to section 4a or 5, hold the right to appoint and remove one member of the Supervisory Board, then at least two members of the Supervisory Board shall be Independent Members -----~~

8. The right of Shareholders to appoint and remove a member of the Supervisory Board referred to in section 2; ~~3,3a, 4~~ 4a and 5 shall be exercised as follows: -----

- 1) a member of the Supervisory Board shall be appointed by submitting, to the Company, a written declaration of a shareholder or shareholders and shall be effective as of delivering such a declaration to the Company, unless a later date of appointing a given member of the Supervisory Board is provided in the declaration;-----
- 2) A member of the Supervisory Board appointed by a shareholder or shareholders as specified in item 1) above may be removed by them at any time. The provisions of item 1) above shall apply in the case of removing a member of the Supervisory Board. Removing a member of the Supervisory Board by the entitled shareholders requires in order to be effective a simultaneous appointing of a new member of the Supervisory Board;-----
- 3) in the case of mandate expiration of the Supervisory Board's member appointed pursuant to section ~~3,3a, 4~~ 4a or 5, in the event that the entitled shareholder who appointed this member of the Supervisory Board has not appointed a new member of the Supervisory Board in his place within 14 days of the mandate expiration, the General Meeting shall be entitled to appoint such new member of the Supervisory Board;-----
- 4) the entitled shareholder referred to in item 3) shall have the right to remove the new member of the Supervisory Board appointed by the General Meeting pursuant to item 3). Removing such a member of the Supervisory Board shall require a simultaneous appointing of a new member of the Supervisory Board or otherwise shall be null and void. -----

Komentarz [KK10]: Historical provision

Komentarz [MC11]: Historical provision

Article 13

1. The Supervisory Board shall be appointed for a common two-year term of office. -----
2. The Supervisory Board shall perform its activities pursuant to the regulations adopted by it and approved by

the General Meeting. -----

3. The meeting of the Supervisory Board shall be convened and chaired by President or, in his absence, Deputy President. The President of the outgoing Supervisory Board convenes and opens the first meeting of the new Supervisory Board. -----
4. The meeting of the Supervisory Board may be ordinary or extraordinary. Ordinary meetings shall be held at least four times a year (once a quarter). An extraordinary meeting may be convened at any time. -----
5. The President of the Supervisory Board or, in his absence, Deputy President shall convene the meeting of the Supervisory Board on his own initiative or at the written request of the Management Board of the Company or a member of the Supervisory Board. The meeting shall be held within two weeks of filing the request. -----
6. The meetings of the Supervisory Board shall be preceded by a 7-day notice sent by registered mail and also by facsimile to those members of the Supervisory Board who wish so, unless all members of the Supervisory Board agree to hold the meeting without a prior 7-day notice. -----
7. The meeting of the Supervisory Board may be held via telephone in such a way that all the members of the Supervisory Board participating in the meeting may communicate with one another. The resolution adopted at such a meeting shall be effective provided that an attendance list and minutes from the meeting are signed by each member of the Supervisory Board who participated in it. Then the place of the meeting and drawing the minutes shall be the place of stay of the President of the Supervisory Board or, in his absence, the place of stay of Deputy President if he chaired the meeting. -----
8. Pursuant to the law in force, the resolutions of the Supervisory Board may be adopted via vote in writing ordered by the President or, in his absence, Deputy President provided that all members of the Supervisory Board accept the contents of the resolutions or the vote in writing. The date of the resolution shall be the date of signing it by President or Deputy President if the vote in writing has been ordered by Deputy President-----
9. Members of the Supervisory Board may adopt resolutions thereof by casting votes in writing through the intermediation of another member of the Supervisory Board. A vote cast through the intermediation of another member of the Board may not concern issues put on the agenda during the meeting of the Supervisory Board. -----
10. Subject to section 12, resolutions of the Supervisory Board shall be adopted with a simple majority of votes. In the event of equal number of votes for and against, the President of the Supervisory Board has to give a casting vote. -----
11. All members of the Supervisory Board shall be invited to the meeting for the adopted resolutions to be effective, subject to Article 13.6 above. -----
12. ~~Until first shares of the Company are publically traded, the resolutions referred to in Art. 14 (2) (2) – (2) (21) require the affirmative votes of at least four members of the Supervisory Board or otherwise shall be null and void.~~ -----

Komentarz [KK12]: Historical provision

Article 14

1. The Supervisory Board shall supervise the activity of the Company on an ongoing basis. -----
2. Apart from other issues regulated by provisions of the present Statutes or provisions of law, the Supervisory Board shall be entitled to: -----
 - 1) examine a balance sheet and a profit and loss account, examine a report of the Management Board and its motions on the distribution of profits and covering of losses;-----
 - 2) appoint and remove members of the Management Board and suspend members of the Management Board or the entire Management Board;-----

- 3) endorse the Regulations of the Management Board;-----
- 4) determine the rules according to which members of the Management Board shall be remunerated;-----
- 5) give consent to granting a commercial representation;-----
- 6) approve the Company's annual financial plans (the budget) and the Company's strategic business plans; the budget should include at least an operational plan of the Company, a plan of income and expenditures for a given accounting year (from the perspective of the whole year and from the perspective of particular calendar months), the forecast of the balance sheet at the end of the accounting year, a cash flow plan for the accounting year (from the perspective of the whole year and from the perspective of particular calendar months) and a plan of the Company's expenditures other than ordinary operating costs;-----
- 7) give consent to incurring, by the Company or its subsidiary, liabilities in the form of a single transaction or a series of interrelated transactions exceeding in total, in one accounting year, the equivalent of euro 200,000.00 (two hundred thousand), not provided for in the budget approved in accordance with the provisions of the Statutes of the Company and exceeding the scope of ordinary management. And the "Equivalent" shall mean the equivalent in zloty or another convertible currency of amount expressed in euro, translated according to the average euro exchange rate and the average exchange rate of a currency other than zloty, announced by the President of the National Bank of Poland on the day directly preceding the day on which the Management Board of the Company submitted a request for the approval of the transaction to the Supervisory Board,-----
- 8) give consent to taking out loans and cash loans or issuing debt securities by the Company or its subsidiary, if due to incurring such a liability the total debt of the Company would exceed EUR 8,000,000.00 (eight million);-----
- 9) give consent to granting sureties by the Company or its subsidiary and to incurring liabilities by the Company or its subsidiary due to warranties and other off-balance sheet liabilities not provided for in the budget approved pursuant to the provisions of the Statutes of the Company, except for the activities intended to secure own liabilities of the Company;-----
- 10) give consent to establishing a pledge, mortgage, transfer of title to secure loan repayment and other encumbrances on the Company's assets or the assets of its subsidiary, not provided for in the budget approved in accordance with the provisions of the Statutes of the Company;-----
- 11) give consent to incurring, by the Company or by its subsidiary, expenses (including investment expenses) on a single transaction or a series of interrelated transactions exceeding in one accounting year the equivalent of EUR 200,000.00 (two hundred thousand), not provided for in the budget approved pursuant to the provisions of the Statutes of the Company and exceeding the scope of the ordinary management;-----
- 12) give consent to acquiring or purchasing by the Company or its subsidiary interests or shares in other commercial companies or merger of the Company or its subsidiary with other business entities;-----
- 13) give consent to entering into agreements by the Company on profit distribution of legal entity or a non-corporate business entity;-----
- 14) give consent to the disposal of the Company's or its subsidiary's fixed assets components with more than 10% (ten per cent) worth of the net book value of the Company's or its subsidiary's fixed assets, respectively, estimated based on the last verified financial statements of the Company or its subsidiary respectively, from among redundant assets under ordinary course of activities;-----
- 15) give consent to the sale or transfer of a copyright or other intellectual property, in particular to the name and logo of "AB" and the rights to trademarks;-----
- 16) give consent to entering into agreements by the Company or its subsidiary and the members of the Management Board, the Company's shareholders or entities related to any of the Company's shareholders or members of the Company's Management Board. Whereas "related entity" shall mean a person, company or other entity with business or affinity relations with any shareholder of the Company member of the Management Board, including in particular (i) his/her spouse or (ii) his/her children, or (iii) grandchildren, or (iv) parents, or (v) grandparents, or (vi) siblings as well as any company or other entity controlled directly or indirectly by the persons specified above or from which the persons specified above receive substantial business profits,-----

- 17) give consent to employing, by the Company or its subsidiary, advisers and persons other than employees of the Company or its subsidiary, as consultants, lawyers, agents if the annual remuneration, not provided for in the budget approved pursuant to the provisions of the Statutes of the Company, exceeds EUR 200,000.00 (two hundred thousand);-----
- 18) give consent to establishing a pledge on the shares of the Company in the cases provided for in the Statutes;-----
- 19) give consent to the transfer of the Company's registered shares by way of enforcement;-----
- 20) appointing a chartered auditor to inspect the financial statements of the Company;-----
- 21) give consent to acquiring or disposal of real estate, perpetual usufruct or interests in real estate. -----

3. |

~~3. Once Independent Members become members of the Supervisory Board, the resolution adopted by the Supervisory Board requires an affirmative vote of at least one Independent Member on issues and circumstances as follows:-----~~

~~1) on increasing the remuneration of the President of the Management Board in a given accounting year by a ratio higher than that of the last annual core inflation index announced by the National Bank of Poland prior to adopting the resolution — as long as the President of the Management Board is Andrzej Przybyło~~

~~2) in matters referred to in section 2 (16) with reference to the agreements concluded with Andrzej Przybyło and Iwona Przybyło or entities related to Andrzej Przybyło or Iwona Przybyło — as long as shares series B are privileged.-----~~

~~3) on appointing a chartered auditor to inspect the financial statements of the Company;-----~~

Article 15 |

1. Members of the Supervisory Board shall exercise their rights and fulfil their obligations in person -----
2. Remuneration of the members of the Supervisory Board shall be determined by the General Meeting.
3. The Supervisory Board may appoint one or several of its members to perform supervisory actions solely. -----
4. Each member of the Supervisory Board shall have the right to be notified of any information concerning the Company Each member of the Supervisory Board shall be entitled to inspect financial documents of the Company. -----

Article 16

(crossed out)

C. THE GENERAL MEETING

Article 17

1. The General Meeting shall debate as the Ordinary General Meeting or Extraordinary General Meeting. -----
- ~~2. The Ordinary General Meeting should take place not later than 6 months after the end of the accounting year of the Company -----~~
- ~~3. The Management Board shall call the Extraordinary General Meeting on its own initiative at a written request of the Management Board or at a written request of shareholder or shareholders request submitted in~~

Komentarz [MC13]: The requirement of casting an affirmative vote for certain issues arose out of item 20 of Good Practices repealed by Good Practices of 4 July 2007. New regulations do not provide for any special entitlements for independent members.

writing or via email providing that the shareholder or shareholders hold at least ~~10 % (ten per cent)~~ one twentieth of the share capital. The Extraordinary Meeting shall be convened in the course of ~~14 days (fourteen days)~~ two weeks from the date of submission of the request. -----

~~4. The Supervisory Board may convene the Ordinary General Meeting if the Management Board has not convened it within the period indicated in Article 17.2. and Extraordinary General Meeting if it deems it necessary. The General Meeting shall be convened by the President or Deputy President of the Supervisory Board or at least two members of the Supervisory Board.~~

~~5. Shareholders holding at least a half of share capital or at least a half of votes in the Company may call the Extraordinary General Meeting. Shareholders shall elect the chairperson of the meeting.~~

~~1) if the Management Board has not convened an Ordinary General Meeting at the date set forth in Article 17.2, or -----~~

~~2) if in spite of submitting a request, the Management Board has not convened an Extraordinary General Meeting at the date specified in Article 17.3. -----~~

Article 18

1. The General Meeting may pass resolutions solely on issues on the agenda, unless the whole share capital is represented at the Meeting and none of members present make any objections to adopting the resolution -----

~~2. The Supervisory Board or~~ A shareholder or shareholders holding at least ~~10 % 10 (per cent)~~ one twentieth of the share capital may demand that some particular issues are put on the agenda of the next General Meeting. -----

~~3. A shareholder or shareholders holding at least one twentieth of the share capital may submit in writing or via email drafts of resolutions concerning issues on the agenda of the General Meeting or ones that are to be put on the agenda. The drafts of resolutions shall be submitted to the Company before the General Meeting.~~

~~The request referred to in Article 18.2, submitted after prior announcing of convening the General Meeting, shall be treated as a request for convening an Extraordinary General Meeting.~~

~~4. At the General Meeting each shareholder may propose drafts of resolutions concerning issues on the agenda.~~

~~5. Taking an issue off the agenda or abandoning an issue included in the agenda at the request of the shareholders requires, upon the prior consent of all present shareholders who raised such a request, adopting the resolution of the General Meeting by 75% majority of votes of the General Meeting.-----~~

Article 19

General Meetings shall take place in Wroclaw or in Warsaw.-----

Article 20

The General Meeting may pass resolutions regardless of the number of present shareholders or shares represented, providing that the Code of Commercial Companies and Partnerships does not stipulate otherwise. --

Article 21

1. The resolutions of the General Meeting are passed by an ordinary majority of votes of the shareholders present at the Meeting, providing that the present Statutes or binding provisions do not stipulate otherwise. -----
2. The resolution, which changes Article 12, depriving the shareholder of his right to appoint or remove a member of the Supervisory Board shall be binding, providing that the shareholder votes for the

Komentarz [MC14]: It arises out of consequential amendments to the amendments to the Code of Commercial Companies and Partnerships which entered into force as of 3 August 2009.

Komentarz [MC15]: It arises out of consequential amendments to the amendments to the Code of Commercial Companies and Partnerships which entered into force as of 3 August 2009.

resolution. -----

~~3. As long as PEF holds at least 10% of the Company's shares, its assertive vote for the resolutions referred to in Article 22 (1) (1) (9) and (1) (13) shall be necessary for the resolutions to be binding. The aforesaid title of PEF expires as of admitting the Company's shares to trading on the listed market.~~

Article 22

Komentarz [KK16]: Historical provision

1. The competences of the General Meeting shall include in particular : -----
 - 1) passing resolutions on distribution of profits or recovering losses merger or transformation of the Company,-----
 - 3) the dissolution and liquidation of the Company
 - 4) increasing or decreasing the share capital, -----
 - 5) determining the remunerating schemes for members of the Supervisory Board,-----
 -
 - 6) establishing and dissolving special purpose funds,-----
 - 7) changing the Company's scope of activity,-----
 - 8) Changing the Statutes of the Company,-----
 - 10) the issue of bonds convertible to shares, senior bonds or subscription warrants,-----
 - 10) choosing liquidators,-----
 - 11) every decision concerning compensation claims for a damage caused in the course of establishing the company or managing or supervising it,-----
 - 12) considering issues submitted by the Supervisory Board, the Management Board or shareholders,-----
 - 13) undertaking activities with the aim of admitting shares of the Company to an organized system of trade,-----
2. The consent of the General Meeting shall not be required as far as purchase and disposal of real estate, perpetual usufruct or interests in the property are concerned. -----
3. Apart from the issues mentioned in Article 22.1 other issues referred to in the provisions of law or in the Statutes shall require a resolution of the General Meeting. -----
4. Motions concerning issues where the opinion or consent of the Supervisory Board is required by these Statutes shall be submitted together with the written opinion of the Supervisory Board. -----

Article 23

(crossed out)

V. MANAGEMENT OF THE COMPANY

Article 24

The organizational regulations of the Company adopted by the Management Board of the Company shall determine the organization of the Company.-----

Article 25

1. The company shall establish supplementary capital to cover balance sheet losses. For that purpose annual write-offs will be created in the amount of 8% at least (eight percent) of the net annual profit until the supplementary capital reaches the equivalent of 1/3 (one third) of the share capital. -----
2. Apart from share capital and supplementary capital, the Company shall accumulate and maintain other capitals, the accumulation of which is required by the provisions of law. -----
3. The General Meeting may establish and release reserve capitals and special purpose funds in the course of an accounting year as well as at the close of the accounting year. -----

Article 26

1. The Company's accounting year shall begin on 1 July of the calendar year and end on 30 June of the following

calendar year. The accounting year that began on 1 January 2007 shall end on 30 June 2008.-----

2. The Management Board of the Company shall prepare and deliver the following financial statements to the Supervisory Board: -----

1) verified annual financial statements of the Company prepared in accordance with the provisions of Polish law supported by an opinion and a report of a chartered accountant from an examination of the financial statements in the course of 90 (ninety) days from the end of the accounting year;-----

2) unverified financial statements (in accordance with the budget) in the course of 30 (thirty) days from the end of every month. -----

3. The Management Board is obliged to make the annual financial statements available to shareholders 15 days prior to the date of the Ordinary General Meeting at the latest, along with the Management Board's report on the Company's activities, the opinion and the report of a chartered accountant and the Supervisory Board's report including the results of the evaluation of the financial statements and the Management Board's report on the activities of the Company. The above-mentioned documents shall be submitted for shareholders' inspection in the Company's headquarters. -----

4. Every accounting year the Management Board is obliged to prepare a budget project for the forthcoming accounting year. The budget shall be submitted for approval to the Supervisory Board by 31 May of every accounting year. The Supervisory Board may approve a part of the budget prepared by the Management Board. In the event of not passing the budget or approving just a part of the budget, the Supervisory Board might determine the date by which the Management Board is obliged to submit a new budget project taking into consideration the comments of the Supervisory Board or the part of budget passed by the Supervisory Board. --

5. The Management Board of the Company shall prepare and deliver the Company's three-year strategic business plan updated each year. -----

6. The Management Board shall immediately notify the Supervisory Board of any special changes in the financial and legal situation of the Company or any gross breaches of contracts in which the Company is a party. -----

Article 27

2. The Company's net profit might be allocated in particular for: -----

- 1) supplementary capital;-----
- 2) additional reserve capitals raised in the Company by resolution of the General Meeting;-----
- 3) dividend for shareholders
- 4) other purposes defined in the resolution of the General Meeting. -----

3. The Ordinary General Meeting shall determine the dividend day and the date of payment of the dividend.----