

# **BY-LAWS OF MAGELLAN SPÓŁKA AKCYJNA (JOINT-STOCK) COMPANY WITH HEADQUARTERS IN ŁÓDŹ**

## **Chapter 1 General provisions**

### **§ 1**

1. The hereby Regulations define the organization and method of performing activities by the Supervisory Board of MAGELLAN joint-stock company.
2. Whenever in the provisions of the Regulations reference is made to:
  - 1) CCC – shall mean act of 15<sup>th</sup> September 2000 Code of Commercial Companies (Journal of Laws of 2000 No 94, pos. 1037 with amend.);
  - 2) Company – shall mean MAGELLAN joint-stock company with headquarters in Łódź;
  - 3) Articles of association – shall mean articles of association of MAGELLAN joint-stock company;
  - 4) Board or Supervisory Board – shall mean MAGELLAN joint-stock company Supervisory Board;
  - 5) General Meeting – shall mean MAGELLAN joint-stock company general meeting;
  - 6) Management Board – shall mean MAGELLAN joint-stock company management board;
  - 7) Shareholder or Shareholders – shall mean MAGELLAN joint-stock company shareholders.

### **§ 2**

The Management Board acts on basis of the legal regulations in force, in particular CCC, Articles of association, the hereby Regulations and resolutions of the General Meeting.

## **Chapter 2 Tasks, duties and competence of the Supervisory Board**

### **§ 3**

1. The Supervisory Board exercises ongoing supervision over operations of the Company in all its areas of activity.
2. Special duties of the Supervisory Board include making sure the financial statement and activity report meet the requirements stipulated in the Act of 29<sup>th</sup> September 1994 on accounting (uniform text: Journal of Laws 2002 No 76 pos. 694), as well as carrying out evaluations of the statements as referred to in art. 395 § 2 point 1 of the CCC, with regards to their conformity with the books and documents, as well as facts of the case, as well as of the Board motions concerning sharing the profit and covering the loss, as well as submitting a written report on the results of the above mentioned evaluations to the General Meeting.
3. In order to perform its duties the Supervisory Board may examine all Company documents, demand reports and explanations from the Board and employees, as well as to review the state of the Company assets.

### **Chapter 3**

#### **Supervisory Board Meetings**

##### **§ 4**

1. Supervisory Board meetings take place in the Company headquarters. President of the Board, and in case of his absence the Vice-President of the Board, may convene the meeting in a different location.
2. The date and agenda of the meeting are established by the person convening the meeting on basis of the previously adopted plan of work of the Supervisory Board.

##### **§ 5**

1. Supervisory Board meeting is convened and conducted by the President of the Board and in case of the absence the Vice-President of the Board. Should both the President and the Vice-President of the Board be absent, the Board meeting is convened and conducted by another Supervisory Board member appointed by the Supervisory Board. A translator maybe present during the Supervisory Board meetings.
2. The Supervisory Board elects the President and Vice-President in its first meeting by secret vote, by absolute majority of votes of the Supervisory Board members present in the meeting.
3. The motions to convene a Supervisory Board meeting are submitted by the Board to the Board President. The meeting should take place within two weeks of the motion being submitted.
4. Invitation to the Supervisory Board meeting, along with the agenda, resolution drafts and materials concerning issues submitted into the Supervisory Board meeting should be sent by registered letters or in an electronic form to all Board members no later than 8 days before the meeting date.
5. The person authorized to convene and conduct the Supervisory Board meeting may agree to the invitations to the Supervisory Board meeting along with the materials, or the materials prepared for the Board meeting being delivered in a shorter period of time, no later, however, than two days before the meeting date.
6. The Supervisory Board members may communicate in Polish or English during the meeting, while in case of doubt the arrangements made in Polish shall be binding.
7. Materials for the Supervisory Board meeting are prepared in Polish or English, while in case of doubt the Polish version shall be binding.
8. The resolution adopted by the means of remote communication is then approved by the Board President and in case of his absence by the Vice-President of the Board who collects votes from the remaining Supervisory Board members. The approval takes place through noting of the method of its making and the votes given by particular Supervisory Board members in the resolution.

##### **§ 6**

Voting during the Supervisory Board meeting is open. Secret ballots are ordained by the President in reference to appointing and dismissing Board Members, suspending Board Members from their Board Member rights, as well as by request of at least one of the Supervisory Board Members present during the meeting.

##### **§ 7**

1. Particular topics are added to the meeting agenda at the request of:
  - 1) the Board, particular Board Members or

- 2) Supervisory Board Member.
2. Motion for supplementing the Board meeting agenda submitted after submitting of the motion for convening the Board meeting should be submitted to the Board President within a deadline making it possible to amend the meeting agenda upon the notices referred to in § 5 par. 4 and 5 of the Regulations.
3. Should the motion be submitted for supplementing the Board meeting agenda within a period of time other than that indicated in par. 2 above, the motion to supplement the meeting agenda shall be subject to voting as ordered by the Board President during the Board meeting.
4. The Board meeting agenda may be changed or supplemented during the meeting only in the event of emergence of one of the following circumstances:
  - 1) all Board Members are present and give their consent;
  - 2) the Supervisory Board needs to undertake specific actions due to justified interest of the Company, as well as to protect the Company from considerable damage;
  - 3) the Supervisory Board adopts resolution in the subject matter of conflict of interest.

### **§ 8**

The person conducting the Board meetings is obliged to:

- 1) present the meeting agenda with any supplements;
- 2) present the protocol from the previous meeting for approval;
- 3) form motion drafts and arrangements to particular meeting points.

### **§ 9**

1. A protocol is made from the Supervisory Board meeting.
2. The protocol should contain at least the subsequent number and date of the meeting, the meeting agenda, names and surnames of all Board Members, as well as participants of the Board meeting, contents of the adopted resolutions, number of votes given to particular resolutions and the dissenting votes.
3. The protocol of the Supervisory Board meeting and resolutions are signed by all Board Members present in the given meeting and the minutes keeper.
4. Protocols from the Board meetings are stored in the Company headquarters.

### **§ 10**

1. The Board Members, as well as any other persons invited by the Supervisory Board Member sending out invitations have the right to attend the Board meetings.
2. The invitation addressed to the Board Members by the Board President shall contain in particular information on the place of the meeting, agenda, resolution drafts and materials concerning issues submitted into the Board meeting. The invitations should be sent no later than 7 days before the meeting.
3. Board Members do not take part in the part of the Board meeting that directly concerns them or the Board, in particular in case of dismissing a Board Member and determining provisions of the Board Members remuneration.

### **§ 11**

1. Should the Supervisory Board President be absent, he is substituted by the Supervisory Board Vice-President.
2. The service of the Supervisory Board meetings is provided by the Board. The Board will in particular provide the minutes keeper.

## **Chapter 4**

### **The rights and obligations of the Supervisory Board and its members**

#### **§ 12**

1. The Supervisory Board presents the General Meeting with a brief evaluation of the Company condition on a yearly basis. The above evaluation should be made available to all Shareholders within a deadline making it possible for them to read it before the Ordinary General Assembly.
2. The Supervisory Board may delegate its Members to perform supervisory activities individually.
3. The delegating, as referred to in par. 2 above, is conducted by the Board on basis of a resolution that determines the scope of activities to be performed by the Board Members, the period in which these activities are to be performed and the method of reporting completion of the duties.
4. The Supervisory Board Member delegated to perform constant supervision is obliged to deliver a monthly written report on the performed function to the Board.

#### **§ 13**

The Supervisory Board Members should participate in the General Meetings in the number sufficient for giving an essential answer to the questions asked during the General Meeting.

#### **§ 14**

1. The Supervisory Board Member should first and foremost act in consideration of the Company interest.
2. The Board Member undertakes to immediately notify the remaining Board Members of the arising conflict of interest and not to participate in the meetings or take part in the voting on adopting a resolution on the case affected by the conflict of interest.

#### **§ 15**

The Supervisory Board Member should not resign from his function during his term of office should it make operation of the Supervisory Board impossible, especially if it should make it impossible to adopt an essential resolution.

## **Chapter 5**

### **Final provisions**

#### **§ 16**

The hereby Regulations come into effect on the day of approval by the Supervisory Board.