

MANAGEMENT BOARD BY-LAWS of AB S.A. with its seat in Wrocław

I. GENERAL PROVISIONS

§ 1

These by-laws define the detailed mode of procedure of the AB S.A. Management Board.

§ 2

Terms used in the By-laws are understood as:

1. By-laws – these by-laws, adopted by the Management Board and approved by the Supervisory Board,
2. Company – AB S.A. with its seat in Wrocław,
3. Articles of Association – The Articles of Association of AB S.A. statutes,
4. General Meeting – AB S.A. General Meeting,
5. Supervisory Board - AB S.A. Supervisory Board,
6. Management Board - AB S.A. Management Board.

§ 3

1. The Management Board runs daily operations of the Company and represents it towards external entities.
2. The Management Board cares for the transparency and effectiveness of the Company's management system and for running its business in observance of rules of law and best practice.
3. The Management Board makes decisions on issues not reserved to other authorities under the Code of Commercial Companies and Partnerships or the Articles of Association. The Management Board specifies, having the Company's business in consideration, the strategy and main goals of the Company's business, which are then presented to the Supervisory Board. The Management Board also takes care of the implementation and realization process of the above.
4. The Management Board prepares and submits to the Supervisory Board:
 - a) the audited annual financial statement,
 - b) the non-audited monthly financial reports,
 - c) the Company's annual financial plans (budget), comprising elements indicated in art. 14 section 2 item 6) of the Articles of Association,
 - d) the Company's Business Plans.

§ 4

1. The Management Board is appointed and dismissed by the Supervisory Board.
2. The Management Board's term of office is joint and lasts for two years.
3. Mandates of Management Board members expire on the day of the General Meeting approving the report for the whole previous financial year of their office.

§ 5

1. To declare intentions of will within the Company's rights and duties and to assume obligations on its behalf authorizations are given to:

- a) independently – the President of the Management Board,
 - b) jointly – two Members of the Management Board or one Member of the Management Board together with the Proxy.
2. To collect summons and other deliveries it is sufficient if the delivery is made personally to the President of the Management Board or any other Member of the Management Board or the Proxy.

II. PRINCIPLES AND SCOPE OF ACTIVITIES OF THE MANAGEMENT BOARD AND ITS INDIVIDUAL MEMBERS

§ 6

The Management Board acts collectively in meetings and through the individual Management Board Members acting within competences bestowed on them.

§ 7

Resolutions of the Management Board are especially requested in the following issues:

- a. submitting of the report on activities of the Management Board and of the financial statement to the Supervisory Board and the General Meeting,
- b. convening of the Ordinary General Meeting and the Extraordinary General Meeting by own initiative or following the written request of the Supervisory Board or shareholders representing 1/10th of the stock capital and the setting forth of the General Meeting Agenda,
- c. preparing of drafts of resolutions and motions in all issues falling, in observance of art. 22 section 1 of the Articles of Association and rules of the Code of Commercial Companies and Partnerships, under the competences of the General Meeting,
- d. all issues, following resolutions of the Articles of Association or of the Code of Commercial Companies and Partnerships that require approval of the Supervisory Board or of the General Meeting.

§ 8

1. The President of the Management Board and each Member of the Management Board may submit, for collective consideration, other issues covering problems especially important for the Company.
2. The submitting of a motion to pass a resolution on a given matter effects in the need to pass the resolution on that matter by the Management Board. In such a case the applicant of the motion should present the content of the resolution that is to be voted.

§ 9

1. Members of the Management Board supervise work thus entrusted and that of directly subordinated Company departments.
2. Members of the Management Board pass independent decisions on issues not reserved to the competence of the Management Board or of the President of the Management Board within the scope of issues entrusted with them, and activities of subordinated departments, and other decisions within authorities thus bestowed by the collectively acting Management Board.

3. Changing duties of a Member of the Management Board requires amendments of the By-laws.
4. Issues of lower importance may additionally be bestowed on a Member of the Management Board following the resolution of the Management Board or entry in the Minutes.

§ 10

The President of the Management Board

1. The President of the Management Board represents the Company towards external entities, supervises the Management Board's activities, presides at Management Board meetings and co-ordinates its works.
2. Activities of the President of the Management Board specifically include:
 - a. supervising Management Board's activities,
 - b. presenting motions to the Supervisory Board and the General Meeting on issues requiring resolutions of these authorities and participating in Supervisory Board meetings,
 - c. management of strategic plans preparation establishing the Company's development trends,
 - d. preparing annual financial plans in agreement with Members of the Management Board,
 - e. supervising the work of all organisational units,
 - f. supervising the protection and proper management of Company's assets,
 - g. undertaking initiatives on issuing necessary internal instructions,
 - h. running the staff and payroll policy in agreement with Members of the Management Board,
 - i. supervising the Company's financial aspects,
 - j. resolving of any other issues related with Company management, not reserved to the decision of the Management Board or other Company authorities.

§ 11

Member of the Management Board, Chief Financial Officer

The running of the administration-financial section of the Company is the duty of the Member of the Management Board, Chief Financial Officer.

§ 12

Member of the Management Board, Chief Commercial Officer

The running of the marketing section and managing the Company product is the duty of the Member of the Management Board, Chief Commercial Officer.

§ 13

Member of the Management Board, Chief Operation Officer

The running of the logistics section and warehouses, and Company's service and sales is the duty of the Member of the Management Board, Chief Operation Officer.

§ 14

The Member of the Management Board should be loyal towards the Company and avoid any activities, which could result only in his own financial gain. Having acquired any information about possible investments or any other beneficial transaction concerning the Company's business, the Member of the Management Board should immediately present such information to the Management Board for consideration of its possible use by the Company. The use of such information by the Member of the Management Board or its conveying to a third person may only be accomplished following consent of the Management Board or only if it does not violate the Company's interest.

§ 15

Members of the Management Board should inform the Supervisory Board of any conflict of interest with the held position or of any possibility of its occurrence.

III. FORMS AND PROCEEDS OF THE MANAGEMENT BOARD MEETINGS, PASSING RESOLUTIONS AND CONTROLLING IMPLEMENTATION OF THE SAME

§ 16

1. Meetings of the Management Board are held at least once a month.
2. The President of the Management Board, by own initiative or following the motion of another Member of the Management Board, may convene a meeting of the Management Board to consider issues requiring immediate attention.
3. A meeting of the Management Board should also be convened on request of the Supervisory Board.

§ 17

The Agenda and the working documents to the individual points on the agenda should be delivered to the interested persons not later than 1 day prior to the meeting of the Management Board.

§ 18

Besides members of the Management Board invited guests may participate in meetings of the Management Board.

§ 19

1. For validity of resolutions of the Management Board, the presence of at least half of all members of the Management Board is requested with all Members of the Management Board being informed.
2. Resolutions of the Management Board are passed by the absolute majority of votes.
3. A Member of the Management Board may submit a dissenting opinion to the passed resolution and this is indicated in the minutes.
4. Should there be any conflict of interest between the Company and personal interest of a Member of the Management Board, his spouse, relatives or akin of second degree, the Member of the Management Board should withhold from resolving such issues and demand indicating such in the minutes.
5. When making decisions on Company issues the Management Board is obligated to act within reason of justified economic risk, i.e. after having considered any

- information, analysis or opinions which, in a reasonable judgment of the Management Board, should be considered for the Company's interest.
6. When determining the Company's business, the interests of shareholders, creditors, Company employees and other subjects and persons co-operating with the Company within its economic activity, and the interests of the local society, should be considered in the justified long-time perspective.
 7. When completing transactions with shareholders and other persons whose business influences the Company's business the Management Board must act with due diligence so that transactions are made on market conditions.

§ 20

The President of the Management Board presides to the Management Board meeting and in his absence the Member of the Management Board designated by the President. Individual issues are presented by the member of the Management Board representing the merit department.

§ 21

1. Minutes of each Meeting of the Management Board are written up.
2. The Minutes are signed by the President and each Member of the Management Board present at the meeting and the clerk.

§ 22

The Minutes of the Management Board meeting should include:

- a) the subsequent number, date and place of the meeting,
- b) list of attendance,
- c) meeting agenda,
- d) the statement of passing resolutions or provisions and their full text, or statements of alternative settlement of the issue,
- e) dissenting opinion of a Member of the Management Board.

§ 23

1. The President of the Management Board runs the register of resolutions passed by the Management Board.
2. Each resolution passed must be recorded in the register of resolutions and should be designated with the subsequent number in the given year.

V. FINAL PROVISIONS

§ 24

The By-laws are valid on the day of their approval by the Supervisory Board.

Wrocław, 29th May 2006

The Management Board: