

CURRENT REPORT

HOOP S.A.

July 31st 2007

Current Report No. 36/2007

Registration of Amendments to the Articles of Association

In reference to the Company's Current Report No. 15/2007, the Management Board of HOOP S.A. hereby reports that on July 30th 2007 it was notified that the District Court for the Capital City of Warsaw, XII Commercial Division of the National Court Register, acting pursuant to the Decision of July 16th 2007, registered the amendment to Par. 6 of the Company's Articles of Association.

The consolidated text of the Articles of Association of HOOP S.A. approved by the Supervisory Board by virtue of the resolution of May 28th 2007:

Articles of Association of HOOP Spółka Akcyjna *(consolidated text)*

Establishment of the Company

Par. 1

HOOP S.A. has been established following a transformation of HOOP INTERNATIONAL Sp. z o.o. (limited-liability company) into a joint-stock company pursuant to Art. 491-497 of the Polish Commercial Code. -----

Company

Par. 2

1. The Company's name is HOOP S.A. -----
2. The Company may use the abbreviated name of HOOP S.A. -----

Place of Business

Par. 3

The Company's principal place of business is Warsaw. -----

Time and Scope of Business Activities

Par. 4

1. The Company is incorporated for an unspecified period. -----
2. The Company shall operate within the territory of the Republic of Poland and outside the Republic of Poland. -----
3. The Company may establish branches, plants, representative offices, and other organisational units. -----
4. The Company may participate and acquire shares and other equity interests in companies and other legal entities operating in and outside Poland, subject to the provisions of these Articles of Association. -----

Business Profile

Par. 5

1. The Company's business profile includes:
 - a) manufacture of food products and beverages (PKD – Polish Classification of Business Activities – 15), -----
 - b) manufacture of plastic packing goods (PKD 25.22.Z), -----
 - c) manufacture of glass and glass products (PKD 26.1.), -----
 - d) manufacture of jewellery and related articles (PKD 36.2.), -----
 - e) computer and related activities (PKD 72), -----
 - f) publishing (PKD 22.1.) and printing and service activities related to printing (PKD 22.2.), -----
 - g) advertising (PKD 74.40.Z), -----
 - h) market research and public opinion polling (PKD 74.13.Z), -----
 - i) business and management consultancy activities (PKD 74.14.A), excluding legal advisory, -----
 - j) real estate activities with own property (PKD 70.1), -----
 - k) letting of own property (PKD 70.20.Z), -----
 - l) real estate activities on a fee or contract basis (PKD 70.3), -----
 - m) renting of machinery and equipment without operator (PKD 71), -----
 - n) construction (PKD 45), -----
 - o) wholesale trade and commission trade, excluding motor vehicles and motorcycles (PKD 51), including wholesale on a fee or contract basis for domestic and foreign entities (PKD 51.1.), -----
 - p) retail trade (PKD 52), -----
 - q) freight transport by road (PKD 60.24), -----

- r) cargo handling and storage (PKD 63.1), -----
- s) activities of other transport agencies (PKD 63.40), -----
- t) other sporting activities (PKD 92.62.Z), -----
- u) human health activities (PKD 85.1). -----

2. Activities for which a licence is required shall be conducted by the Company after the relevant licence has been obtained.

Share Capital

Par. 6

1. The Company's share capital amounts to PLN 13,088,576 (thirteen million, eighty-eight thousand, five hundred and seventy-six zloty) and is divided into 13,088,576 (thirteen million, eighty-eight thousand, five hundred and seventy-six) shares with a par value of PLN 1 (one zloty) per share, including: -----
 - a) 447,680 Series A ordinary bearer shares, -----
 - b) 100,000 Series B ordinary bearer shares, -----
 - c) 82,856 Series C ordinary bearer shares, -----
 - d) 9,458,040 Series D ordinary bearer shares, -----
 - e) 3,000,000 Series E ordinary bearer shares. -----
2. The Company may issue either bearer or registered shares. Conversion of registered shares into bearer shares requires the prior approval of the Supervisory Board. -----
3. The Company shares may be issued as global certificates. At a reasonable request of the Shareholder, the Company is obliged to exchange the global certificate held by a Shareholder for global certificates for a smaller number of shares or certificates for single shares. -----

Reserve Funds

Par. 7

1. The Company shall create reserve funds, to which 8% (eight per cent) of the Company's annual net profit shall be transferred until the reserve funds are equal to no less than one-third of the share capital. -----
2. Other funds, from the sources referred to in Art. 396.2 and Art. 396.3 of the Polish Commercial Companies Code, shall also be transferred to reserve funds. -----
3. The General Shareholders Meeting shall determine the manner of employment of reserve funds, subject to Art. 396.5 of the Polish Commercial Companies Code. -----

Capital Reserve

Par. 8

In order to cover special losses or expenses the General Shareholders Meeting may create capital reserves.

Changes in the Share Capital

Par. 9

1. The share capital may be increased and decreased in accordance with the Polish Commercial Companies Code. -----
2. A share capital increase may be effected by issuing new shares or by increasing the par value of the existing shares. -----
3. Shares may be acquired for cash or non-cash contributions. -----
4. New shares may be acquired by way of private placement (i.e. the Company making an offer to an investor and the acceptance of the offer by the investor), a closed subscription (i.e. offering shares exclusively to shareholders with the pre-emptive rights) or an open subscription (i.e. offering shares pursuant to Art. 440.1 of the Polish Commercial Companies Code to parties who do not have the pre-emptive rights). The procedure for acquiring new shares shall be defined in a resolution of the General Shareholders Meeting. Code. -----
5. The existing shareholders shall have the pre-emptive rights to acquire shares in the Company's increased share capital in proportion to the number of shares held ("**Pre-Emptive Right**"). -----
6. The pre-emptive rights of Shareholders may be waived in the manner described in Art. 433.2 of the Polish Commercial Companies Code. -----
7. Subject to the provisions of Art. 442.1 of the Polish Commercial Companies Code, the General Shareholders Meeting may finance the share capital increase with the statutory reserve funds or with capital reserves created from net profit. ("**Share Capital Increase from Internally Generated Funds**"). -----
8. The Shareholders are entitled to acquire new shares in the share capital increased from the internally generated funds (bonus shares) in the proportion to the number of shares held by them in the existing share capital. -----
9. Voting rights attached to the shares in the increased share capital increase shall accrue as of the day on which the increased share capital is registered, irrespective of whether the shares have been paid up in full or only in part prior to the registration of the share capital increase. -----

Retirement of Shares

Par. 10

1. Shares may be retired by reducing the share capital. -----
2. Based on a resolution of the General Shareholders Meeting, the Company registered shares may be retired upon the Shareholder's consent through the acquisition of the shares by the Company ("**voluntary retirement**"). -----
3. In return for retired shares, the Company may issue registered share retirement certificates. -----
4. If shares are retired against consideration, such consideration may be paid in the form of a one-off payment or in instalments. -----

Acquiring Own Shares

Par. 11

The Company may acquire its own shares in cases referred to in Art. 362 of the Polish Commercial Companies Code subject to prior approval by the General Shareholders Meeting.

Disposal of Registered Shares

Par. 12

1. Disposal of registered shares requires compliance with the following rules: -----
 - a) The Shareholder who intends to sell registered shares (the "**Seller**") shall notify the Company's Management Board of this intention, specify the number of shares to be sold, the selling price and material terms and conditions (including whether the purchase offer will remain valid if the buyer (the "**Buyer**") is offered a lower number of shares, and specifying the minimum number of shares in which the Buyer would be interested), as well as the name of the Buyer.
 - b) Each Shareholder holding registered shares shall have the pre-emptive right to acquire the registered shares intended for sale, on the terms specified in the Seller's notification, with the proviso that if the shares to be sold are preference registered shares, the Shareholders holding preference registered shares shall have the right to exercise their pre-emptive rights before other Shareholders.
 - c) Within seven (7) days of receiving the Seller's notification, the Company's Management Board shall provide all the Shareholders entitled to use their pre-emptive rights with written information on the terms of the sale, as specified in the Seller's notification, and shall enclose a copy of the notification referred to in item a). The Shareholders who intend to exercise their pre-emptive rights must, within fourteen (14) days of receiving the notification, inform the Management Board on the number of shares they intend to acquire.
 - d) The Management Board shall determine the number of shares to be acquired by each of the Shareholders interested in the purchase. If the number of shares to be

sold is lower than the number of shares with respect to which the intention of purchase was announced, the number of shares to be allotted to each Shareholder shall be determined on a pro rata basis. Each Shareholder interested in the purchase shall be informed by the Management Board of the allotment of the shares within seven (7) days from the expiry of the last 14-day period provided for in item c) above.

- e) The Shareholders shall acquire the shares intended for sale in the number specified by the Management Board by submitting a representation to the Seller and providing a copy thereof to the Management Board. The representation should be submitted within fourteen (14) days from the date of notifying the Shareholder by the Management Board of the number of shares which the Shareholder may acquire. Acquisition of shares intended for sale may also be executed by way of an agreement entered into by the Seller and the Shareholder exercising the pre-emptive right to acquire the shares.
 - f) Payment for the shares should be made on terms not worse than those specified in the Seller's notification referred to in item a) above, within no less than forty-five (45) days from the submission of the Shareholder's representation referred to in item e), unless stipulated otherwise in the agreement between the Seller and the Shareholder wishing to acquire the shares.
 - g) If following the procedure described in items a) to e) any registered shares remain not acquired by the Shareholders holding the pre-emptive right (none of the other Shareholders submits an offer to acquire the shares on the terms specified in the Seller's notification), and if the remaining shares are still covered by the purchase offer of the Buyer, the Seller shall have the right to sell the shares in a manner specified by the Seller in item a) above.
2. Restrictions on the sale of registered shares do not apply to:
- a) the disposal of shares to spouses and descendants by Shareholders holding Series A preference registered shares numbered from 000.001 to 447.680, Shareholders holding Series B preference registered shares numbered from 000.001 to 017.280, and Shareholders holding Series C preference registered shares numbered from 029.057 to 082.856, and
 - b) sale of the shares to the Company in the cases set forth in Art. 362.1. of the Polish Commercial Companies Code.

Pledge of the Shares

Par. 13

1. Encumbrance of the shares held by a Shareholder with a pledge or usufruct rights shall not require approval by the Company.-----
2. Exercise of the voting rights attached to registered shares which have been encumbered with a pledge or usufruct right by the pledgee or the usufructuary of the registered shares shall require an approval by the Supervisory Board. The application

for the right to exercise the voting rights by the pledgee or the usufructuary of the registered shares shall be filed by the Shareholder whose shares have been encumbered with the Company's Management Board, which shall submit the application at the next meeting of the Supervisory Board. -----

Company Governing Bodies

Par. 14

The Company's governing bodies shall be:

- a) General Shareholders Meeting,
- b) Supervisory Board,
- c) Management Board.

General Shareholders Meeting

Par. 15

General Shareholders Meetings shall be held at the Company's registered offices, in Bielsk Podlaski, Grodzisk Wielkopolski or Tychy.

Convening of the General Shareholders Meeting

Par. 16

1. An Ordinary General Shareholder Meeting shall be convened annually by the Management Board within six (6) months of the end of the Company's financial year.
2. An Extraordinary General Shareholders Meeting shall be convened by the Management Board on its own initiative, or on the motion of the Supervisory Board, or on the motion of the Shareholders representing at least one-tenth (1/10) of the Company's share capital. The Meeting shall be convened within two (2) weeks of submitting the motion; the Meeting shall be convened: (i) in the case of a Meeting convened on the motion of the Shareholders, subject to the second sentence of Art. 400.1 of the Polish Commercial Companies Code, on a date specified in the motion, and in case of any material obstacles thereto, on the earliest possible date when the Meeting is able to resolve issues included in the agenda, and (ii) in any other case, the Meeting shall be convened on a date falling within six (6) weeks of submitting such a motion.
3. If the General Shareholders Meeting is not convened by the Management Board within the set timeframe, it may be convened by the parties that submitted the motion.
4. A motion for convening the General Shareholders Meeting shall specify the issues to be included in the agenda. The motion shall require justification.
5. The General Shareholders Meeting shall be held on a date that is a business day in Poland.

6. The General Shareholders Meeting shall be convened by way of an announcement in *Monitor Sądowy i Gospodarczy* published at least three weeks prior to the date of the General Shareholders Meeting.
7. The General Shareholders Meeting convened on the motion of the Shareholders may only be cancelled or its date changed upon the approval by the parties submitting the motion to convene the Meeting. In any other cases, the General Shareholders Meeting may be cancelled in case of any extraordinary obstacles to its holding (*force majeure*) or when the Meeting serves no particular purpose. The provisions of Par. 16.6 shall apply accordingly to any cancellation or change of the date of the General Shareholders Meeting. -----

Adoption of Resolutions by the General Shareholders Meeting

Par. 17

1. Subject to the provisions of Art. 404 of the Polish Commercial Companies Code, the General Shareholders Meeting may adopt resolutions only on matters provided for in the Polish Commercial Companies Code, these Articles of Association, and matters included in the agenda of the Meeting. -----
2. A resolution not to consider an issue included in the agenda of the meeting shall be adopted only for valid reasons. The relevant motion shall be justified in detail. Removal of an issue from the agenda or decision not to consider an issue included in the agenda at the request of the shareholders shall require a resolution adopted by the General Shareholders Meeting, subject to prior consent of all shareholders making the request and present at the Meeting, supported by 75% of votes at the General Shareholders Meeting.
3. The General Shareholders Meeting shall be opened by the Chairman of the Supervisory Board or by a person designated by the Chairman, or – if there is not such a person – by the oldest Supervisory Board member present at the meeting. In the absence of such persons, the General Shareholders Meeting shall be opened by the President of the Management Board, or the person designated by the Management Board, or the Shareholder representing the largest number of the Company shares. If there are two or more Shareholders representing the largest number of the Company shares, the General Shareholders Meeting shall be opened by the oldest of them.
4. The General Shareholders Meeting shall be valid and shall have the capacity to adopt effective resolutions if the attending shareholders represent no less than 50% (fifty per cent) of the share capital. If the quorum is lacking at the first General Shareholders Meeting, the Management Board shall immediately convene another General Shareholders Meeting with the same agenda, on a date falling no sooner than after four weeks of the first General Shareholders Meeting, and shall expressly state that it is convened after an earlier Meeting was adjourned and that it shall be valid regardless of the percentage of the share capital represented.
5. Subject to absolutely binding provisions of the Polish Commercial Companies Code and unless these Articles of Association provide otherwise, resolutions shall be adopted by a 70% (seventy percent) majority of the votes.

6. The General Shareholders Meeting shall adopt Rules of Procedures for the General Shareholders Meeting, specifying in detail the manner of conducting the Meetings and adopting resolutions. In the event of a change to the Rules, the change shall become effective as of the next General Shareholders Meeting.

Scope of Powers of the General Shareholders Meeting

Par. 18

1. The powers of the General Shareholders Meeting shall include in particular:
 - a) Reviewing and approving the Directors' Report on the Company's activities and the activities of the Company's group and their financial statements for the preceding financial year;
 - b) adopting resolutions on the distribution of net profit in the form of dividend, or on exclusion of payment of profit distribution, in whole or in part, and retaining the profit for the Company's own purposes; adopting resolutions on coverage of loss;
 - c) granting approval for the performance of duties by the Company's governing bodies;
 - d) selling or leasing the Company's enterprise or an organised part thereof, and encumbering them with limited property rights;
 - e) changing the legal form of the Company and any merger of the Company with another company or legal entity;
 - f) adopting resolutions on claims for repair of the damage inflicted in the establishment of the Company, its management or supervision;
 - g) amendments to the Articles of Association, increase or reduction of the Company's share capital;
 - h) issuing convertible bonds or bonds with the pre-emptive rights;
 - i) acquiring Company's own shares;
 - j) retiring the Company shares and acquiring the Company shares with a view to their retirement;
 - k) liquidating and dissolving the Company;
 - l) appointing and removing from office the Supervisory Board members;
 - m) defining the rules, terms and amounts of the Supervisory Board's remuneration;
 - n) adopting the Rules of Procedure for the General Shareholders Meeting;
 - o) appointing and removing from office the Management Board members;
 - p) specifying the dividend record date, that is the date on which a list of Shareholders entitled to a dividend for a given financial year is determined, subject to the provisions of Art. 348.2 of the Polish Commercial Companies Code;

- q) resolving the matters presented for consideration to the General Shareholders Meeting by the Management or Supervisory Board;
 - r) other matters which fall within the scope of powers of the General Shareholders Meeting under absolutely binding laws and these Articles of Association.
2. Any reference made in this paragraph to the lease of the Company's enterprise or its particular assets shall be understood as reference to any other agreement based on which a third party obtains the possibility of using the Company's enterprise or its assets.

Supervisory Board

Par. 19

1. The Supervisory Board shall be composed of five (5) members, appointed and removed from office by the General Shareholders Meeting. In appointing members of the Supervisory Board, the General Shareholders Meeting shall appoint at least one independent Supervisory Board member.
1. An independent Supervisory Board member is a person who:
 - a) does not have – with any of the Company's Shareholders holding shares representing at least 5% of the total vote at the General Shareholders Meeting or with any of the Management Board members – a legal relationship which may materially affect such member's powers or duties or may cause doubt as to the Supervisory Board member's independence;
 - b) is not a spouse, relative through blood or marriage in direct kinship line, collateral relative up to the third degree of kinship, or a relative through collateral affinity up to the second degree of kinship of any of the Company's Shareholders holding shares representing at least 5% of the total vote at the General Shareholders Meeting or of any of the Management Board members;
 - c) is not related to any of the Company's Shareholders holding shares representing at least 5% of the total vote at the General Shareholders Meeting or to any of the Management Board members under adoption, custody or guardianship.
3. The Chairman of the Supervisory Board shall be appointed by the General Shareholders Meeting.
4. If a Supervisory Board member is removed from office, the General Shareholders Meeting shall be obliged to simultaneously appoint a new member of the Supervisory Board.
5. The Supervisory Board members may tender their resignation only for a good reason. The resigning member of the Supervisory Board shall be obliged to advise the Management Board of his resignation in writing.
6. If the term of office of a Supervisory Board member expires, the Management Board shall be obliged to convene the General Shareholders Meeting at the time and in accordance with the rules provided for in Par. 16 of these Articles of Association, and

to include the appointment of a new Supervisory Board member in the Meeting's agenda.

7. The term of office of the Supervisory Board shall be five years.
8. The terms of office of the Supervisory Board members shall expire as of the date of the Ordinary General Shareholders Meeting which approves the Company's financial statements for the last full year of the Supervisory Board members' tenure. If new members were appointed to fill in a vacancy or supplement the composition of the Supervisory Board during its term of office, the term of office of the newly appointed member shall expire at the same time as those of other Supervisory Board members.
9. Without the consent of the Supervisory Board, no Supervisory Board member may conduct business competitive in relation to the Company, acquire shares in a competitive civil-law partnership or another type of partnership, purchase shares which entitle such member to 10% of the total vote at the General Shareholders Meeting or serve on the governing bodies of a competitive incorporated company or any other competitive legal entity. For the purpose of these Articles of Association, competitive activities shall mean production or distribution of non-alcoholic beverages within the territory on which the Company operates.

Resolutions by the Supervisory Board

Par. 20

1. The Supervisory Board shall adopt its Rules of Procedure.
2. The Supervisory Board meetings shall be valid and shall have the capacity to adopt resolutions if at least three (3) of its members are present at the meeting, and all the members of the Supervisory Board have been duly invited. However, with respect to adopting the resolutions referred to in Par. 21.1.m) and Par. 22.5, the resolutions shall be valid if all members of the Supervisory Board are present and at least four (4) Supervisory Board members vote in favour of the resolution.
3. The Supervisory Board shall be obliged to convene at least once a quarter.
4. Subject to Art. 388.4 of the Polish Commercial Companies Code, the Supervisory Board members may take part in adopting resolutions by casting a vote in writing through intermediation of another member of the Supervisory Board.
5. Subject to Art. 388.4 of the Polish Commercial Companies Code, the Supervisory Board may adopt resolutions by casting votes in writing or by means of remote communication. The resolution shall be valid if all members of the Supervisory Board have been notified of the contents of the draft resolution.
6. The Supervisory Board shall adopt resolutions by an absolute majority of the votes of the Shareholders present at the meeting.
7. Adoption of resolutions concerning:
 - a) any benefits to the Management Board members from the Company or any of its related undertakings,

- b) granting a consent to the execution of a material agreement between the Company or its subsidiary undertaking and the Company's related undertaking, a Supervisory Board member, an Management Board member or their related undertakings,
- c) mandating a chartered auditor to audit the financial statements of the Company and the HOOP Group,

also requires the consent of at least one independent Supervisory Board member.

Scope of Powers of the Supervisory Board

Par. 21

The Supervisory Board shall exercise day-to-day supervision over the Company's activities in all areas of its business. Some of the powers of the Supervisory Board shall include:

- a) assessing the Company's financial statements and the Directors' Report on the Company's Operations, in terms of their conformity with the accounting books and documents and with the actual state of affairs, and the Management Board's recommendations concerning the distribution of profit or coverage of loss, and submitting annual written reports on the findings of the review to the General Shareholders Meeting;
- b) assessing the financial statements of the HOOP Group and the Directors' Report on the Operations of the HOOP Group, as well as submitting an annual written report on the findings of the assessment to the General Shareholders Meeting;
- c) approving economic and financial plans for the Company, and supervising their implementation;
- d) mandating a chartered auditor to audit the financial statements of the Company and the HOOP Group;
- e) granting consent to subscribe, acquire or sell shares in other entities and to join a company under commercial law or a civil-law partnership;
- f) granting consent to acquire or sell the Company's real estate or an interest in real estate whose value exceeds PLN 1,000,000 (one million zloty), except for such cases when the sale is made as part of a merger or incorporation of subsidiaries or joint-venture companies controlled by the Company;
- g) granting consent to sell the Company's assets whose value exceeds ten per cent (10%) of the Company's equity, as disclosed in the most recent Company's financial statements which have been released to the public, unless such consent falls within the scope of powers of the General Shareholders Meeting or is provided for in the Company's economic and financial plan;
- h) granting consent to undertake obligations or dispose of assets (in a single legal action or a series of legal actions), if the value of the obligations or assets exceeds ten per cent (10%) of the Company's total equity, as disclosed in the most recent Company's financial statements which have been released to the public, unless the undertaking of

obligations or the disposal of assets are provided for in the Company's economic and financial plan, or concern purchase of production materials for on-going beverage production needs;

- i) granting consent to pay interim dividend to the Shareholders;
- j) granting consent to a pledgee or usufructuary to exercise the voting right attached to registered shares encumbered with a pledge or usufruct right;
- k) granting consent to vote under power of proxy or general power of attorney;
- l) granting consent to Management Board members to conduct business competitive in relation to the Company, participate in a competitive civil-law partnership or a partnership, purchase of shares which entitle the holder to 10% of the vote at the General Shareholders Meeting or to membership in the governing bodies of a competitive incorporated company or any other competitive legal entity;
- m) defining the rules and terms of remuneration of the Company's Management Board and the amount of remuneration for each of its members;
- n) appointing Management Board members in the situations specified in Par. 22.5 hereof.

Management Board

Par. 22

1. The Management Board shall be composed of two or three members, appointed and removed from office by the General Shareholders Meeting.
2. A resolution on appointment or removal from office of any or all members of the Management Board shall be adopted with a majority of 70% of the total vote.
3. In the event that either one or two members of the Management Board are removed from office so that there is only one Management Board member left, the General Shareholders Meeting shall be obliged to appoint at least one new member of the Management Board during the same Meeting.
4. If the term of office of a Management Board member expires due to circumstances other than removal of a member(s) of the Management Board so that there is only one Management Board member left, the General Shareholders Meeting shall be obliged to appoint at least one new member of the Management Board at the next General Shareholders Meeting.
5. If in the cases described in Par. 22.3 or Par. 22.4 above the General Shareholders Meeting fails to appoint at least one new member of the Management Board within two (2) months from the removal of a Management Board member(s) (Par. 22.3) or the expiry of the term of office of a Management Board member(s) (Par. 22.4), the new member(s) shall be appointed by the Supervisory Board.
6. In the case referred to in Par. 22.5 above, the Chairman of the Supervisory Board shall convene a meeting of the Supervisory Board within 16 days from the date when the General Shareholders Meeting was obliged to appoint a new Management Board member(s) pursuant to Par. 22.5 and shall include in the Meeting's agenda the

appointment of a new Management Board member(s). The Meeting should be convened within 26 days from the expiry of the two-month period referred to in Par. 22.5 above.

7. The members of the Management Board may tender their resignation only for a good reason. The resigning Management Board member shall be obliged to advise the Supervisory Board and the other members of the Management Board of his resignation in writing
8. A member of the Management Board may be removed from office only for a good reason. The resolution whereby the Management Board member is removed should specify the reason for such removal.
9. The term of office of the Management Board shall be five years. The members of the Management Board may be re-appointed for next terms of office.
10. The terms of office of the Management Board members shall expire as provided for in the Art. 369.4 of the Polish Commercial Companies Code. The Management Board members shall be appointed for a joint term of office. If new members were appointed to fill in a vacancy or supplement the composition of the Management Board during its term of office, the term of office of the newly-appointed Management Board member shall expire at the same time as those of other Management Board members.

Resolutions by the Management Board

Par. 23

1. The Management Board shall adopt its decisions in the form of resolutions passed at meetings, which shall be convened as needed.
 - a) Undertaking obligations or disposing of assets in excess of PLN 500,000.00 (five hundred thousand zloty) in a single transaction or a series of related transactions shall require a Management Board resolution adopted with an absolute majority of votes, with the proviso that if the Management Board is composed of two members the resolution must be adopted unanimously.
 - b) Management Board resolutions concerning the manner of voting at the General Shareholders Meetings of the subsidiary or related companies on resolutions appointing or removing members of the governing bodies of the subsidiary companies or their designation or removal by virtue of rights vested in the Company under corporate documents of the subsidiary or related companies shall be adopted unanimously.
 - c) In the case of issues not related directly to the Company's business, the assumption of any obligations or disposal of any assets shall require a unanimous resolution of the Management Board.
3. The Management Board shall adopt its Rules of Procedure, which shall be subsequently approved by the Supervisory Board.

4. The Management Board shall take decisions concerning disposal or acquisition of the Company's real estate or an interest in real estate whose value does not exceed PLN 1,000,000 (one million zloty).

Company's Representation and Responsibilities of the Management Board

Par. 24

1. The Management Board shall represent the Company in relations with third parties and make decisions on all matters which are not reserved for other Company's governing bodies under these Articles of Association or absolutely binding legal regulations.
2. In the case of assuming obligations or disposing of assets whose value, in a single or a series of transactions, exceeds PLN 10,000.00 (ten thousand zloty) declarations of will on behalf of the Company shall be made jointly by two members of the Management Board or by joint proxies. In other cases, declarations of will on behalf of the Company shall be made by joint proxies or one member of the Management Board.
3. The Management Board shall be obliged to prepare and present to the Supervisory Board every year an economic and financial plan for the next three financial years, no later than on November 30th of the year preceding the three-year period.
4. The Management Board shall be obliged to prepare and present to the Supervisory Board an economic and financial plan for the next financial year, no later than on November 30th of each year.
5. If the Supervisory Board does not approve the economic and financial plan, the Management Board shall conduct activities based on the most recent approved annual economic and financial plan.
6. The Management Board shall be obliged to prepare and present to the Supervisory Board quarterly reports on the performance of the economic and financial plan within thirty (30) days of the end of each quarter or, for the last quarter of each year, within forty (40) days of the end of the quarter.

Employment of Management Board Members

Par. 25

The Company may enter into a contract of employment with persons appointed to the Management Board. If the Supervisory Board finds it appropriate, the Management Board members may also receive remuneration for performing their duties beyond the employment relationship.

Financial Year

Par. 26

The financial year for the Company is the calendar year.

Distribution of Profit

Par. 27

1. The Shareholders are entitled to participate in the distribution of profit disclosed in the audited financial statements, and allocated for payment to the Shareholders by the General Shareholders Meeting.
2. Decisions on profit distribution to the Shareholders, on exclusion of profit distribution, and on loss coverage shall be adopted by the General Shareholders Meeting, pursuant to Par. 18.1.b) of these Articles of Association, after presenting relevant draft resolutions by the Management Board and the Supervisory Board.
3. The profit excluded from distribution to Shareholders may be appropriated for an increase in the reserve funds.
4. In the case of appropriating the profit, in full or in part, to the Shareholders, the Shareholders shall participate in the distribution in proportion to the number of shares held.

Par. 28

1. The Company may pay out interim dividend if its approved financial statements for the preceding financial year show a profit. The interim dividend shall not exceed one-half of the profit generated from the end of the previous financial year, as shown in audited financial statements, increased by the reserve capital created from profit and available for payment of interim dividend by the Management Board, and reduced by the value of any uncovered losses and treasury shares.
2. If the Management Board has adopted a resolution on payment of interim dividend, each Shareholder shall be entitled to receive an interim dividend in proportion to the number of shares held.
3. The resolution adopted by the Management Board shall specify the amount appropriated to interim dividend payment, in accordance with the provisions of Art. 349.2 of the Polish Commercial Companies Code.
4. The Management Board may pay interim dividend upon approval by the Supervisory Board.

Final Provisions

Par. 29

Relevant regulations of the Polish Commercial Companies Code and other binding laws and regulations shall apply with respect to issues not governed by these Articles of Association.

Legal basis: Par. 56.1.2) of the Public Offering Act – current and periodic information