

**Rules of Procedure of
Supervisory Board of KRUK S.A
seated in Wrocław**

§1

1. These Rules define the organization and mode of proceeding of the Supervisory Board of KRUK S.A.
2. The Supervisory Board is a body performing permanent supervision over the Company's operations, which functions pursuant to the letter of law, in particular the Commercial Companies Code, and also basing on the Company Articles of Association, as well as resolutions of the Shareholders' Meeting, to the extent in which they are statutorily binding for the Board, as well as basing on these Rules.
3. Whenever the Rules refer to:
 - 1) Commercial Companies Code - this shall be understood as the September 15, 2000 Commercial Companies Code Act (BoL U. of 2000 no. 94, item 1037 with amendments),
 - 2) Company – this shall be understood as KRUK S.A. company seated in Wrocław,
 - 3) Articles of Association – this shall be understood as the Company Articles of Association,
 - 4) Board or Supervisory Board – this shall be understood as the Supervisory Board of the company,
 - 5) General Meeting – this shall be understood as the General Meeting of the Company,
 - 6) Management - this shall be understood as the Company Management.

§2

Composition and appointment of Supervisory Board

1. The Supervisory Board comprises of five or seven members.
2. The Supervisory Board is appointed and dismissed by the General Meeting, save for the provisions of the Articles of Association and the below rules. The number of the Supervisory Board members is determined by the General Meeting at all times.
3. *revoked*
4. *revoked*
5. In the case when Piotr Krupa holds shares of the Company giving him 8% or more of the general number of votes on the General Meeting, he may appoint and dismiss:
 - a) 1 (one) member in the five-person Supervisory Board, including the Vice-president;
 - b) 2 (two) members in the seven-person Supervisory Board, including the Vice-president.
6. *revoked*
7. *revoked*
8. The right to appoint and dismiss members of the Supervisory Board held by Piotr Krupa and mentioned in item 5 above is exercised by submitting before the Company a written decision on appointing or dismissing a member of the Supervisory Board. Additionally to the submission of the decision mentioned above, Piotr Krupa is obliged to present to the Company a certificate or certificates of deposit

issued by an investment company or a custodian bank maintaining a securities account on which the shares of the Company are stored, as evidence that Piotr Krupa holds shares of the Company in the number mentioned in item 5 above.

9. If Piotr Krupa does not appoint members of the Supervisory Board within 21 (twenty-one) days from the day of expiration of mandates of the Supervisory Board members appointed by him, the members of the Supervisory Board that were not appointed pursuant to item 5 above are appointed and dismissed by the General Meeting until the exercise by Piotr Krupa or his legal successor of the rights mentioned in item 5, which then causes automatic expiration of mandates of the Supervisory Board members appointed by the General Meeting pursuant to this decision, but which, however, does not impact the tenure of the given Supervisory Board.
10. In reference to the rights granted in this point to Piotr Krupa, the threshold of 8% or a higher number of the total number of votes on the General Meeting shall be understood at all times as the votes held by Piotr Krupa individually, or by persons collaborating with him, i.e. persons defined in art. 87 item 4 point 1 and point 2 of the July 29, 2005 Act on Public Offering and Terms of Introducing Financial Instruments for Organized trade and on Public Companies (BoL of 2009 no. 185, item 1439, with lat. amend.), and held by entities that are 100% controlled by Piotr Krupa.
11. With the reservation of any applicable law, the Supervisory Board, which, due to the expiration of mandates of some of its members (for other reason than dismissal) comprises of a smaller number of members than defined by the General Meeting pursuant to item 1 and 2, may execute material resolutions until the supplementation of its composition.
12. A person applying as a candidate for the Supervisory Board, or a member of the Supervisory Board appointed pursuant to item 3, item 4 and item 5 above should, immediately after appointment, submit before the Company a written declaration of fulfilling the criteria of independence, defined in Annex II to the "European Committee's Recommendation of February 15, 2005 on the roles of non-executive directors or directors being members of supervisory boards of listed companies and committees of the board (Supervisory)", and shall immediately notify the Company in case when his situation changes in this regard within the period of his tenure.
13. Each of the independent members of the Supervisory Board shall fulfill the following criteria:
 - a) the person is not a member of the Management, or an authorized clerk of the Company, its subsidiary company or an affiliated unit, as defined in the September 29, 1994 Accountancy Act (unified text: 2009 nr. 152, item 1223 with lat. amend.), and not having performed such function within the period of 5 (five) years preceding the day of appointment for a member of the Supervisory Board,
 - b) the person is not, and has not been for the period of 3 (three) years preceding the day of appointment for a member of the Supervisory Board, a worker of the company, of its subsidiary company or affiliated unit,
 - c) the person has not and does not receive from the Company or its affiliated unit any remuneration on account of performing duties of the member of the Supervisory Board, and is not entitled to participation in the employee stock options, or in any other system of performance-based rewarding,
 - d) is not a shareholder of the Company, and does not represent a shareholder or shareholders holding shares resulting in a right to exercise 5% (five percent) or more of the total number of

- votes on the General Meeting, and does not have any actual or material relationship with the shareholder or shareholders that hold such right,
- e) does not maintain, or has not maintained for the period of 1 (one) year preceding the date of appointment for a Supervisory Board member any significant trade relationships with the Company or its affiliated unit, directly or indirectly, as a partner, shareholder, management board member, authorized clerk or worker employed on a higher-level managerial position of an entity maintaining such relations with the Company or its affiliated unit. Significant trade relationship is defined for the purpose of this paragraph as transactions whose value exceeds 5% (five percent) of income of the Company for the last business year,
 - f) is not at present, and had not been within the period of 3 (three) years preceding the date of appointment for a Supervisory Board member a partner or worker of a current, or former expert auditor of the Company or its affiliated unit,
 - g) is not a management board member or authorized clerk in another company, in which the Management Board member or authorized clerk of the Company performs duties of a supervisory board member,
 - h) has not performed duties of a Supervisory Board member longer than 3 (three) tenures,
 - i) is not a member of a close family of the Management Board member, Company authorized clerk or of the persons listed in item a) - h) above.
14. For the needs of item 13 above, a close family member is defined as a spouse, relatives or second-grade affinities , or a person remaining in an actual partnership, or residing within a common household.
 15. Supervisory Board members are appointed for a common tenure, the duration of which is 3 (three) years.
 16. Mandates of the Supervisory Board members expire on the date of holding a General Meeting approving a financial report for the last full business year of performing duties of the Supervisory Board member.
 17. The Supervisory Board members withdrawn may be appointed repeatedly, or appointed for another tenure.

§3

Rules of proceeding of Supervisory Board

1. Members of the Supervisory Board exercise their rights and duties in person, and have a right and duty to participate in the sessions of the Board.
2. Save for para 2 item 3, item 4 and item 5 above, the Supervisory Board appoints on its first meeting the President and Vice-president in a secret ballot through an absolute majority of votes of the members present on the meeting.
3. Meetings of the Supervisory Board are called by the President, or the Vice-president, if the former is absent.
4. A meeting of the Supervisory Board shall be held within 14 days from the date of submitting the Management's motion to the President or Vice-president.
5. Members of the Supervisory Board receive remuneration for performing their duties, unless the organ or entities authorized to appoint members of the

Supervisory Board decide otherwise. Amount of remuneration of the Supervisory Board members is defined by a resolution of a General Meeting.

§4

1. The Supervisory Board sets up the Audit Committee, Remunerations and Nominations Committee and the Finances and Budget Committee. The Audit Committee comprises of at least three members, with at least one of them fulfilling the criteria defined in art. 86 item 4 and 5 or the May 7, 2009 Act on Expert Auditors and their Self-Government, Entities Authorized for Auditing Financial Reports and on Public Supervision (BoL 2009, no. 77, item 649, with amend.). The Committee of Remunerations and Nominations comprises of at least three members, at least one of which has knowledge and experience in the area of remunerations policy; the majority of members of the Remunerations and Nominations Committee shall constitute independent members of the Board. The Remunerations and Nominations Committee comprises of two to four members of the Board.
2. The Audit Committee's tasks include in particular:
 - a) monitoring the financial reporting process;
 - b) monitoring effectiveness of internal control systems, internal audit and risk management;
 - c) monitoring the performance of financial revision operations;
 - d) monitoring independence of the expert auditor and of the entity authorized for auditing financial reports;
 - e) performing revision of financial reports of the Company, and presenting opinions on this issue to the Board;
 - f) reviewing transactions with affiliated entities;
 - g) recommending selection of an expert auditor entity to the Supervisory Board, along with justification.
3. The Audit Committee may use the help of experts for the purpose of auditing financial reports correctly.
4. The Remunerations and Nominations Committee's tasks particularly include:
 - 1) planning remuneration policy for the Management Board Members;
 - 2) adapting remunerations of the Management Board members to long-term interests of the Company, as well as to its financial result;
 - 3) recommending candidates for Management Board Members to the Supervisory Board;
 - 4) periodical assessment of structure, number of members, composition and results of the Management, and recommending to the Board any eventual changes in this regard, as well as presenting to the Board periodical assessment of skills, knowledge and experience of individual Management Board Members.
5. The Finances and Budget Committee's tasks particularly include:
 - 1) preparing drafts of a budget act, opinionating and assessing drafts of resolutions of the Supervisory Board, passed for matters related to the Company's finances
 - 2) works related to supporting supervision over the performance of budget adopted in the Company,
 - 3) current analysis of financial results and financial situation of the Company,
 - 4) matters related to the functioning of the financial, credit and tax systems, as well as financial plans, budget, asset insurance adopted and applied at the Company.

6. For the tasks and the functioning of committees proceeding within the Supervisory Board, Annex I to the European Committee's Recommendation of February 15, 2015 on the Role of Non-Executive Directors shall apply.

§5

Resolutions of Supervisory Board

1. Resolutions of the Supervisory Board are adopted by an absolute majority of votes of the Board Members present at the meeting. In the case there is an equal number of votes on both sides, the President's vote shall decide.
2. For the Supervisory Board's resolutions to be valid, it is required that all the members of the Supervisory Board are invited to the meeting, and that at least half of them is present.
3. With the reservation of provisions of the Commercial Companies Code, members of the Supervisory Board may participate in adopting resolutions of the Supervisory Board, by transferring their vote in writing to another member of the Supervisory Board. Such written transfer of vote cannot be made for matters introduced into the agenda during the meeting of the Supervisory Board.
4. With the reservation of provisions of the Commercial Companies Code, the Supervisory Board may pass resolutions in writing, or with the use of direct remote communication (by telephone or other means guaranteeing that communication between all the members of the Supervisory Board is possible). A resolution adopted in the above manner is valid only if all the members of the Supervisory Board have been notified on the contents of its draft. In case of adopting a resolution in written mode, the President of the Supervisory Board votes first, and then submits the content of the resolution to the remaining members of the Supervisory Board. The Resolution is valid if signed by an absolute majority of the Supervisory Board members. Adoption of the resolution through the use of direct remote communication means is approved by the President of the Supervisory Board, who receives votes from the remaining members of the Supervisory Board - such approval is made by annotating the mode of adoption in the resolution, as well as the votes cast by the individual members of the Supervisory Board. For both of the modes of adoption described above, the Supervisory Board President's vote shall decide in case the number of votes on both sides is equal.
5. Casting a vote in writing or with the use of direct communication means cannot be made in relation to appointing the President or Vice-president of the Supervisory Board, nor appointing or dismissing a Board Member, or suspending the rights of these persons.

§5¹

Competences of Supervisory Board

1. The Supervisory Board performs supervision over the Company's operations in all of its aspects.
2. The competences of the Supervisory Board, in addition to the matters defined in the Commercial Companies code, particularly include:
 - 1) auditing financial reports, reports of the Management from the Company's operations for the previous business year, to the extent of their accuracy against ledgers and documents, against the actual matter of state, as well as assessing motions of the Management Board related to the appropriation of profit or

- coverage of losses;
- 2) submitting to the General Meeting an annual written report of the results of the assessment mentioned in point 1 above;
 - 3) appointing and dismissing the Board President;
 - 4) with the reservation of para 7 item 6 of the company Statute, appointing Board members (including Vice-presidents of the Management Board), as well as dismissing the Management Board members appointed;
 - 5) suspending, for material reasons, rights and duties of individual or all members of the Management Board, and delegating members of the Supervisory Board for temporary performance of duties for the Management Board members that are unable to perform their duties;
 - 6) determining, based on a motion of the Management Board President, principles of remuneration, as well as the amount of remuneration of the Management Board members;
 - 7) determining remuneration of the Management Board President;
 - 8) approving annual financial plans of the Company (budget), as well as strategic economic plans of the Company; the budget shall cover at least a plan of income and costs of the Company for the given business year, a forecast of end-year balance, and a plan of cash flow for the given balance year;
 - 9) granting consent for taking loans and credits by the Company, and for issuing obligations not included in the budget, above a cumulated amount constituting an equivalent of 10% of own capital of the Company per year, with the exception of taking loans and credits from entities of KRUK Capital Group. Whenever the below paragraph mentions KRUK Capital Group, this is understood as the company, as well as its subsidiary companies, in the understanding of the Accountancy Act;
 - 10) granting consent for establishing securities, guarantees, and making encumbrances on the Company assets, not included in the budget, above a cumulated amount constituting an equivalent of 10% of own capital of the Company per year, except when the parties of such operations are exclusively entities of KRUK Capital Group. Establishing securities and guarantees for credits, loans and obligations included in the budget, or to which the Supervisory Board has consented in the mode defined in point 9) does not require the Supervisory Board's consent.
 - 11) granting consent for contracting liabilities by the Company in relation to a single transaction, or a series of interrelated transactions of total value exceeding, in one business year, the amount constituting an equivalent of 5% of own capital of the Company, not included in the budget, and not being a result of standard operations of the Company;
 - 12) granting consent for procurement of acquisition by the Company of shares or bonds in other commercial companies, or for the Company's entry into other commercial entities, with the exclusion of procurement or acquisition of shares or bonds in entities of KRUK Capital Group;
 - 13) granting consent for procurement or disposition of Company assets, whose value exceeds 15% (fifteen percent of net accounting value of the Company, determined basing on a recent verified financial report, not included in the budget, with the

- exclusion of procurement or disposal of assets to entities of KRUK Capital Group
- 14) granting consent for disposal or transfer of intellectual rights or other intellectual property, particularly rights to patents and technologies as well as trademarks, except for when the parties to such transactions are exclusively entities of KRUK Capital Group;
 - 15) granting consent for employing by the Company, or by an affiliated company, of advisors or other persons that are foreign to the Company or to an affiliated company, as consultants, lawyers or agents, provided the total annual costs of engaging such persons that are borne by the Company, which are not included in the budget, are to exceed 500.000,00 (five hundred thousand) PLN;
 - 16) approving managerial stock options terms;
 - 17) appointment of an expert auditor for auditing annual financial reports of the Company, as mentioned in art. 395 of the Commercial Companies Code, in line with Polish and international accountancy standards;
 - 18) granting consent for entering into, or amending agreements between the Company or its subsidiary company, and the members of the Company Board or members of the Supervisory Board;
 - 19) granting consent for issuing by the Company, or its subsidiary company any cost-free resolutions, or making any cost-free obligations within the scope of the Company's business activity, in an amount exceeding 1.000.000,00 (one million) PLN in one business year, except for when the exclusive parties are entities of KRUK Capital Group;
 - 20) granting consent for making by the Company, or its subsidiary company any cost-free resolutions, or contracting any cost-free obligations falling outside the scope of business activity of the Company, in an amount exceeding 200,000 (two hundred thousand) PLN per year, except for when the parties are exclusively entities of KRUK Capital Group;
 - 21) granting consent to the purchase or disposal of property, perpetual usufruct rights or interests in property by the Company if their value is 5,000,000 (five million) PLN or more; and
 - 22) other matters included herein and provisions of the Commercial Companies Code.
3. Moreover, the Supervisory Board:
- 1) once a year prepare and present to the Annual General Meeting the assessments and reports provided for in the "Code of Best Practice for WSE Listed Companies" adopted by the WSE Supervisory Board in a relevant resolution,
 - 2) once a year performs, and presents before the General Meeting of Shareholders an assessment of its work,
 - 3) processes and opinionates matters to be made a subject of resolutions of the general meeting.

§6

Duties of Supervisory Board Members

1. When performing his duties, a member of the Supervisory Board is obliged to maintain due diligence in accord with the professional nature of his activity, and is particularly obliged to observe the law, the Company Articles of Association, the resolutions of the

Meeting of Shareholders, to have consideration for the interest of the Company, its business, and the current and predicted financial situation.

2. A member of the Supervisory Board should have adequate knowledge and experience, and should be able to sacrifice sufficient amount of time for performing his duties.
3. A member of the Supervisory Board provides information to the Management on his affiliations with a shareholder holding shares that represent at least 5% of total number of votes at the General Meeting. The above duty applies to affiliations of economic, family or other nature, that may impact the position of the Supervisory Board member on the matters discussed by the Council.
4. A member of the Supervisory Board should notify the Supervisory Board on any conflicts between his interests and the interests of the Company that occur, or on a possibility of occurrence of such. A member of the Supervisory Board should abstain from speaking in a discussion, and from voting over a resolution regarding a matter for which such conflict of interests occurred.
5. Members of the Supervisory Board participate in sessions of the General Meeting in a composition allowing to give substantive response to questions asked during the General Meeting.
6. A member of the Supervisory Board may resign from his function at any time, except for when such resignation could negatively impact the ability of proceeding of the Supervisory Board, including its ability of adopting resolutions. In particular, when, as a result of such resignation, the number of members of the Supervisory Board would fall below the statutory minimum, rendering the Supervisory Board unable to adopt material resolutions, or if it could potentially negatively impact its ability to act, the member of the Supervisory Board should delay his resignation, and perform his function until the date of supplementing the Supervisory Board.

§7

1. Members of the Board perform their supervisory duties in a collegial manner.
2. The Board may delegate one of its members for performing specific supervisory actions.

§8

Presiding Over Works of Supervisory Board

1. The President of the Supervisory Board presides over the works of the Board and its sessions, and coordinates works of the other members.
2. In the case of temporary inability of the President to perform his duties mentioned in item 1, these shall be performed by the Vice-president.

§9

Meetings of Supervisory Board

1. The Supervisory Board holds its meetings as required, but at least four times a year, at a date and place stated in the notification on calling a Supervisory Board meeting. The notification on the Supervisory Board meeting shall specify the date, time, place and the proposed agenda. Meetings of the Supervisory Board are called by the President, or the Vice-president, in case of absence of the former.
2. The Supervisory Board, during its session, may specify the place and date of the next meeting of the Board. In such case, the Board Members present at the meeting do not have to be repeatedly notified on the place and date of the next meeting; the place and date of that meeting is notified to the absent members, however. The Company

Management, or a member of the Supervisory Board, may formally request the Board President to call a Board meeting, stating the proposed agenda. The President of the Supervisory Board is obliged to call such meeting within two weeks from the date of receiving the request.

3. Each Supervisory Board member may submit a motion to the Supervisory Board President on the inclusion of a specific issue into the agenda of the nearest Board meeting; the motion should be delivered at least 7 (seven) days before the meeting scheduled, and shall include all materials regarding the issue.
4. A notification on the Supervisory Board meeting shall be delivered at least 7 (seven) days before the date of the Supervisory Board Meeting, or shall be sent by fax or electronic mail. A notification sent by registered mail is deemed delivered on the date of confirmation of receipt of the registered letter, or on the date of expiration of receipt deadline at a post office, provided the recipient has not showed up to receive the notification before that date. Notification sent using direct remote communication means, i.e. fax or electronic mail is deemed delivered on the date indicated on the data transmission confirmation, or on the date indicated in the electronic confirmation of receipt of correspondence, accordingly. The Supervisory Board may be called without maintaining the above requirements, provided all the Board Members give their consent.
5. The Supervisory Board may hold a meeting without formal calling, if all members of the Supervisory Board are present on the meeting, and no one raises objection as to the meeting or the inclusion of issues proposed in the agenda.
6. Meetings of the Supervisory Board are notified to the Company Management President. Moreover, other persons, whose participation in the meeting is deemed desired by the Board, should also be notified.

§10

1. The following persons invited by the Board may participate in meetings of the supervisory Board, without a right of vote: members of the Management, experts necessary to decide on a matter at hand, as well as the minute clerk.
2. All, or some Board Members participate in the meetings of the Supervisory Board, subject to the Supervisory Board's requirement.

§11

1. Meetings are presided by the President of the Supervisory Board, or the Vice-president, if the former is absent.
2. Materials prepared for a Supervisory Board meeting should be produced in writing and delivered by mail, courier, fax or electronic mail. All documents should be delivered to members of the Supervisory Board not later than within five days from the date of meeting, save for the case defined in para 9 item 4 subitem 4, or para 9 item 5 above.

§12

1. Members of the Supervisory Board vote over the resolutions passed in an open manner. The voting in personal matters is secret. A secret ballot is also carried out if demanded by at least one Board member.
2. The first to vote over the given resolution is the member of the Board who took initiative in adopting the resolution. The President votes last, provided he is not an initiator of the resolution.
3. Resolutions not included in the agenda may be adopted only if none of the present, duly notified members of the Supervisory Board raises any objections.

§13

1. Sessions of the Board are minuted.
2. Minutes are kept by the person appointed as minute clerk, or by the person presiding over the meeting.
3. The minutes should include:
 - 1) Sequential number of the session,
 - 2) Date, place and mode of session,
 - 3) nominal list of members of the Supervisory Board and other persons present on the meeting, including specification of their functions,
 - 4) note regarding the correctness of holding the session,
 - 5) agenda,
 - 6) contents of the resolutions adopted, including specification of the number of resolution adopted (according to its order in the given year), number of "for", "against" and "abstain" votes cast for the individual resolutions, and contents of reservations or dissenting opinions made to the resolutions,
 - 7) other decisions and conclusions.
 - 8) full name of the minute clerk,
4. The minutes should be signed by all the persons present on the Supervisory Board session. In justified cases, the Supervisory Board may sign the minutes on the next meeting, which should be annotated.
5. Original minutes from the meeting, along with its annexes, are stored at the Company Management Office.

§14

In case of expiration of the Supervisory Board's tenure, its members transfer all the cases at hand to the new Supervisory Board.

§15

These Rules enter into force on the day of issuing Company shares for trade on a regulated market.