

**REGULATIONS OF THE MANAGEMENT BOARD OF KRUK S.A.
WITH ITS REGISTERED OFFICE IN WROCLAW**

I. GENERAL PROVISIONS

§ 1

1. The Regulations set forth the organization, rules and procedures of the Company's Management Board.
2. The Management Board of KRUK S.A., a company with its registered office in Wroclaw, operates on the basis of the provisions of law, the Articles of Association and these Regulations, hereinafter referred to as the Regulations.
3. Whenever the provisions of the Regulations refer to:
 - 1) CCC - refers to the Commercial Companies Code of September 15, 2000 (Journal of Laws of 2000, No. 94 item 1037, as amended);
 - 2) Company – shall mean KRUK Spółka Akcyjna with its registered office in Wroclaw;
 - 3) Articles of Association – shall mean the Articles of Association of the Company;
 - 4) Supervisory Board – shall mean the Supervisory Board of the Company;
 - 5) General Meeting – shall mean the General Meeting of the Company;
 - 6) Management Board – shall mean the Management Board of the Company.

**II. COMPOSITION AND METHOD OF APPOINTMENT AND DISMISSAL OF THE BOARD,
REMUNERATION OF BOARD MEMBERS**

§ 2

1. The Management Board consists of 3 (three) to 8 (eight) members, appointed and dismissed by the Supervisory Board, including the President of the Board and the Vice President or Vice Presidents of the Management Board, appointed as needed.
2. The number of members of the Management Board, including Vice Presidents of the Management Board, is determined each time by the Supervisory Board on the basis of a proposal by the President of the Board.
3. The President of the Board is appointed and dismissed by the Supervisory Board.
4. Other members of the Management Board, including the Vice-Presidents of the Management Board, are appointed and dismissed by the Supervisory Board, with their appointment by the Supervisory Board taking place at the request of the President of the Board.

5. If the President of the Board fails to submit the application referred to in (2) above or fails to indicate candidates for Members of the Management Board in accordance with (4) above within 7 (seven) days from the date of his appointment as President of the Board or within 7 (seven) days from the date when the number of Members of the Management Board fell below the minimum specified in § 2 (1) above, Members of the Management Board shall be appointed by the Supervisory Board in the number determined by it.
6. Members of the Management Board are appointed for a joint term of 3 years.
7. The terms of office of Board Members shall expire on the date of the General Meeting of Shareholders approving the financial statements for the last full fiscal year in which the Board Members held office.
8. The Supervisory Board determines the rules for remuneration of Management Board Members and the amount of remuneration of the President of the Board. Taking into account the remuneration rules set by the Supervisory Board, the President of the Board submits proposals to the Supervisory Board for determining the remuneration of individual Management Board Members other than the President, which is approved by the Supervisory Board.
9. Subject to (1) above, the Supervisory Board may, for important reasons, appoint Members of the Management Board and determine their remuneration.

III. POWERS OF THE MANAGEMENT BOARD

§ 3

1. The Management Board manages the Company's business, assets and represents the Company externally before courts, authorities and third parties. The Management Board decides on all matters not reserved by the Articles of Association or by law to the exclusive competence of the Supervisory Board or the General Meeting.
2. The Management Board makes decisions in the form of resolutions.
3. To make declarations of intent on behalf of the Company and to represent the Company, the action of two Members of the Management Board together or a Member of the Management Board together with a proxy is required.
4. The Management Board decides on the acquisition and disposal by the Company of real estate, perpetual usufruct or an interest in real estate, if their net purchase price or net disposal price is no more than PLN 5 000 000 (five million).
5. The exclusive competence of the President of the Board is to make all decisions regarding the creation and liquidation of organizational units functioning in the Company.

6. At each meeting of the Supervisory Board, and additionally at the request of the Supervisory Board submitted to the Management Board, the Management Board shall be obliged to provide the Supervisory Board, in a form previously agreed upon, with information on, in particular:
 - 1) resolutions of the Board and their subject matter;
 - 2) situation of the Company, including with regard to its assets, as well as important circumstances in the conduct of the Company's affairs, particularly in the operational, investment and personnel areas;
 - 3) progress in the implementation of the set directions for the development of the Company's business; in particular, it should indicate deviations from the previously set directions, at the same time providing justification for the deviations;
 - 4) transactions and other events or circumstances that materially affect or could affect the Company's financial position, including its profitability or liquidity;
 - 5) changes to information previously provided to the Supervisory Board, if such changes materially affect or may affect the Company.

IV. RESPONSIBILITIES OF BOARD MEMBERS

§ 4

1. The Company's Management Board shall manage the Company's assets and conduct the Company's affairs in compliance with the law, the provisions of the Company's Articles of Association, resolutions of the Supervisory Board and the General Meeting of Shareholders, and the provisions of these Regulations, and in the performance of their duties each Member of the Management Board shall be required to exercise due diligence resulting from the professional nature of their activities.
2. Members of the Management Board shall perform their duties in person, in accordance with the function determined by the Supervisory Board in resolutions on the appointment of Management Board Members and these Regulations.
3. In the event of a conflict of interest or the possibility thereof, a Board Member should inform the other Board Members of such conflict and refrain from speaking in the discussion and from voting on the resolution on the matter in which the conflict of interest has arisen.
4. The specific duties of a Board Member include:
 - 1) implementation and realization of the Company's strategy and main objectives, with attention to the transparency and efficiency of the Company's management system,
 - 2) implementation of the Company's annual financial plans/operational plans,
 - 3) conducting the Company's affairs in accordance with the law and good practice,

- 4) when making decisions on the Company's affairs, acting within the limits of reasonable economic risk,
 - 5) duty of loyalty to the Company,
 - 6) informing the Company's Management Board of any conflict of interest in connection with the function or the possibility of its occurrence.
 - 7) Members of the Management Board are required to attend the General Meeting in a composition that allows them to provide substantive answers to questions asked at the General Meeting.
5. In the event of changes in the composition of the Board, the outgoing Board Member shall be obliged to transfer, by protocol, all matters conducted by him, together with the documentation in his possession. The transferee of affairs and records shall be the President of the Board or a Board Member designated by the President, or another person designated by the President.
 6. Violation of the law, the provisions of the Articles of Association, as well as the provisions of these Regulations constitutes a valid reason within the meaning of §15(2)(5) of the Company's Articles of Association, giving grounds for suspension, and may also be a reason for dismissal of a Board Member from his/her position.
 7. A member of the Management Board shall be liable to the Company for damage caused by an act or omission contrary to the law or the Company's Articles of Association, unless he is not at fault.

V. CONVENING AND CONDUCTING BOARD MEETINGS

§5

1. The work of the Management Board is organized by the President of the Board.
2. The Management Board shall hold meetings at the time and in the manner designated by the President of the Board.
3. Meetings of the Management Board shall be convened by the President of the Board or in his stead by the Vice President of the Board, if appointed, or by another member of the Management Board designated by the President of the Board. This duty may be performed on behalf of the President (Vice President or other member of the Management Board) by an employee of the Corporate Governance Area.
4. Any Board Member may request the President to convene a meeting of the Management Board.
5. Any Member of the Management Board may request the President of the Board to place on the agenda and for the Management Board to consider a matter from the area of a given Member of the Management Board.

6. Meetings of the Management Board shall be chaired by the President of the Board or in his stead by the Vice President of the Board, if appointed, or by another member of the Management Board designated by the President of the Board. The President of the Board or any other member of the Management Board presiding over a meeting of the Management Board shall have the right to:
 - 1) set the agenda for the Board meeting;
 - 2) amend the agenda of the Board meeting;
 - 3) introduce open or secret voting;
 - 4) grant the floor to individual Board Members and limit the speaking time of other Board Members during the Board meeting;
 - 5) order breaks in Board meetings; and
 - 6) formulate the content of draft resolutions of the Board.

§6

1. Notice of the scheduled meeting of the Management Board, together with the proposed agenda and materials to be submitted to the Management Board, should be delivered to each Board Member in writing or by e-mail at least three days before the date of the meeting.
2. In cases of emergency, the President of the Board, or in his/her stead the Vice President of the Board, if appointed, or another Board member designated by the President of the Board, may order a different method and time for notifying Board Members of the date of the Management Board meeting.

VI. ADOPTION OF RESOLUTIONS

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1. Resolutions of the Board are adopted by open or secret ballot.
2. The Management Board shall be considered capable of adopting resolutions if each Board Member has been effectively notified of the Board meeting to be held and at least half of the total number of Board Members is present at the Board meeting.
3. Resolutions of the Board are adopted by a simple majority. In the event of an equality of votes, the President of the Board shall have the casting vote.
4. Subject to the provisions of the Commercial Companies Code, the Management Board may adopt resolutions in writing or by means of direct communication at a distance (by telephone or other means that guarantee the ability of all members of the Board to communicate with each other). A resolution adopted in the above manner is valid only if all members of the Board have been notified of the contents of the draft resolution. A resolution is valid when signed by an absolute majority

of Board members. Any Board member participating in the vote may cast a vote by affixing an electronic signature to the resolution. In the two modes of resolution described above, in the event of an equality of votes, the vote of the President of the Board is decisive.

VII. MINUTES

§8

1. Resolutions of the Management Board are minuted by the minutes keeper.
2. The minutes should include:
 - 1) the date and manner of adoption of the resolution;
 - 2) names of Board Members participating in the vote and/or present at the meeting;
 - 3) in the case of resolutions adopted at the meeting, the names of those invited;
 - 4) in the case of resolutions adopted at the meeting, the adopted agenda;
 - 5) the number of votes "for" and "against" and "abstentions" cast for each resolution;
 - 6) dissenting opinions to the resolutions, along with their rationale, if any.
3. The minutes shall be signed by at least the Board Member chairing the meeting or managing the vote.
4. Minutes with attachments and resolutions adopted by the Management Board are archived by the Corporate Governance Area.

VIII. FINAL PROVISIONS

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1. The Regulations of the Management Board are public and publicly available.
2. Matters not regulated by these Regulations shall be governed by the Commercial Companies Code, the Company's Articles of Association and generally applicable regulations.