

**RULES OF THE MANAGEMENT ELEKTROTIM S.A.**

**The present Rules of ELEKTROTIM S.A. Management were passed on the basis of applicable regulations of Commercial Companies Code and § 24 section 2 subsection 10) of the ELEKTROTIM S.A. Statute, with taking into account a corporate governance applicable in the Company according to the requirements of Exchange Board Resolution no. 12/1170/2007 of 4<sup>th</sup> July 2007- the attachment titled: „Good Practice of Quoted Companies” .**

§ 1

The Management of ELEKTROTIM S.A. is a statutory body of ELEKTROTIM Joint -Stock Company and acts on the basis of regulations of Commercial Companies Code, Articles of Association and these Rules.

§ 2

The definitions used in the Rules refer to:

1. Rules – the present Rules, adopted in a form of resolution of the Supervisory Board,
2. Company – a joint-stock company under the company of ELEKTROTIM SA with a seat in Wrocław, entered in the register of entrepreneurs kept by the District Court for Wrocław-Fabryczna VI Economical Department of National Court Register under the number KRS 0000035081,
3. Statute – the statute of the Company in the form adopted in the authenticated act of 12.05.2001 with amendments,
4. Management – the management of the Company,
5. President – the president of the Management
6. Vice president (-s) – the vice president (-s) of the Management
7. member(-s) of the Management – physical person (people) called up to the Management in the way determined in the Statute. ,
8. leading Company’s cases– all factual or legal deeds of all or separate members of the Management taken within the frames of activity of Management’s members,
9. management performance – leading Company’s cases performed by the Management collegially or within the frames of independent management performer by separate members of the Management.

§ 3

The Management is made up of at least one and not more than five Members chosen for a common cadence by the Supervisory Board of the Company.

§ 4

The Supervisory Board establishes one of the Members of the Management the President of the Management.

§ 5

1. Management's cadence lasts up to 5 years.

§ 6

The Supervisory Board establishes remuneration for Management Members, taking into account its motivational character in order to ensure effective management of the Company. A total rate of remunerations for all Management Members is a subject to disclosure in the annual report of the Company in division to separate components of the remuneration.

§ 7

A job agreement with Management Members is being concluded on behalf of the Company by the President of the Supervisory Board, delegated from among its members. Other deeds connected with employment relation of the Management Member are being conducted in the same course.

§ 8

1. Management Members fulfill their duties personally.
2. Management's works are directed by the President of the Management.
3. A detailed range of competence division among Management Members is included in the resolution of the Management taken in the above mentioned case.
4. The Management directs the entirety of Company's activities and all cases not reserved for competences of the General Assembly and the Supervisory Board.
5. Following Company's interest, the Management determines strategy and main goals of Company's activity and submits them to the Supervisory Board for opinion.
6. The Management takes care of transparency and effectiveness of Company's management system and leading its cases in accordance with regulations of law and good practice.
7. While taking decisions regarding Company's cases, the Management Members shall act within reasonable boundaries of economical risk, after considering all information,

analyses and opinions, which in the estimation of the Management shall be taken into account in a given case, due to Company's interest.

8. While establishing Company's interest, the Management shall take into account reasonable in a long-term perspective interests of shareholders, creditors, Company's employees and other subjects and people cooperating with the Company in the range of its business activity as well as interests of local societies.
9. The Management is obliged to transfer to the Supervisory Board information upon essential cases regarding Company's activity and upon risk connected with the conducted activity and methods of managing the risk.
10. The Management Members are obliged to submit a written declaration upon respecting „Good Practice” rules operating on the Stock Market in Warsaw S.A. in the range of application declared by the Company.
11. The Management Members are entitled to participate in the General Assembly.

§ 7

1. The Management Members shall keep full loyalty towards the Company and avoid actions that could lead to realization of own material advantages.
2. In the event of obtaining information upon possibility of making investment or other advantageous transaction regarding the object of Company's activity, a Management Member shall immediately present such information to the Management in order to consider a possibility of using it by the Company. Usage of such information by the Management Member or transferring it to a third party can only take place with an acceptance of the Management and only when it does not violate Company's interest.

§ 8

The Management is particularly obliged to:

1. Assigning and realization of strategies and plans of Company's activity.
2. Assigning and realization of developmental, personal, commercial, financial, operational policy, and policy of managing over quality
3. Respect generally applicable regulations of law and avoid taking actions, which would be a violation or an abuse of law.
4. Punctual execution of Company's obligatory entries to register court.
5. Preparation of financial report of the Company.
6. Convene the General Assemblies of Company's Shareholders.

7. Participation in meetings of the Supervisory Board, for which the Management has been invited.
8. Give the General Assembly and the Supervisory Board exhaustive explanations and information together with presenting of required documents and other materials.
9. To act with particular diligence while executing transactions with shareholders and other people, whose interests have impact on Company's interest, and ensure that transactions were performed basing on market conditions.
10. Representing the Company in communication with shareholders within the frames of internal supports and ensuring security of equitable interests of all shareholders within the boundaries determined by law and good practices.
11. Leading appropriate informational Policy of the Company in the way consistent with internal regulations and keeping contacts with media.

§ 9

The Management is particularly entitled to:

1. Establish and revoke proxies,
2. Establish Management's attorneys for separate cases, ,
3. Take decisions in all other cases not reserved for the Supervisory Board and the General Assembly.

§ 10

1. The Management leads Company's cases and represents the Company in the court and outside the court. .
2. People responsible for submission of declaration of will and signing on behalf of the Company, are :
  - 1) Two members of the Management – jointly, or
  - 2) One member of the Management and a proxy– jointly

§ 11

1. A basic form of Management's work is attending sessions and taking resolutions connected with leading Company's cases and performing management exceeding the range of regular management.
2. Regular sessions are held cyclically, according to the previously established schedule of Management's sessions or, if necessary, upon written application of Management Member.
3. Invitations to Management's sessions may be given to employees of the Company competent in discussed case or to other people.

§ 12

1. For validity of resolutions, it is required to inform upon session all Members of the Management.
2. Resolutions of the Management shall be passed by the unconditional majority of votes cast, except from the establishment of the Proxy, where agreement of all Management Members is required. In case of equality of votes, the vote of President of the Management is decisive.
3. Every Member of the Management can revoke a proxy.

§ 13

1. From Management's session protocols are being prepared and signed by the Management Members present at the session.
2. In the protocol one shall mention the date of session, Management Members participating, invited guests, order of debate, the number of votes given for separate resolutions.
3. To the protocol one shall attach sentences separate for a given resolution.
4. Protocols from sessions are being archived in the Company's Management Office.

§ 14

Management Members are bound by the non-competition clause.

§ 15

1. Mandate of Management Member expires:
  - a) Not later than on the day of attending the General Assembly approving financial report for the last financial year of fulfilling a function of Management Member.
  - b) Due to death,
  - c) Due to revoking,
  - d) Due to submitted resignation .
2. The Supervisory Board may revoke a member of the Management before expiration of cadence.
3. Revoking of Management Member does not prevent him from claims arising out of the employment relationship or other legal relation regarding fulfillment of a function of Management Member.
4. A Management Member can submit resignation from the fulfilled function in writing to the President of Company's Management. The President of the Management transfers the resignation immediately to the Chairman of the Supervisory Board. The Chairman of the Supervisory Board immediately convene a session of the Supervisory Board, which accepts the resignation.
5. In the event of resignation of all Management Members or the President of the Management, the President of the Management transfers a written resignation to the Chairman of the Supervisory Board.. The Chairman

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of the Supervisory Board immediately convene a session of the Supervisory Board, which accepts resignation and calls up a new Management or a new President.

§ 16

The regulations of Commercial Companies Code, Articles of association and Good Practice Code apply to all cases not regulated by this Rules.

§ 17

The present Rules were passed by the Supervisory Board of ELEKTROTIM S.A. on 21<sup>st</sup> April 2006 and have gone into effect since 21<sup>st</sup> April 2006.