

# ARTICLES OF ASSOCIATION OF A JOINT-STOCK COMPANY

## GENERAL PROVISIONS

### § 1

1. The Company shall operate under the name of INTERSPORT Polska Spółka Akcyjna.-----
2. The registered seat of the Company shall be Cholerzyn.-----
3. The founders of the Company are: Artur Mikołajko, Marek Radwański, Sławomir Gil and Jolanta Milewska. -----

### § 2

1. The Company shall operate within the territory of the Republic of Poland and abroad. -----
2. The Company may open divisions and branch offices as well as join existing companies, both domestic and foreign ones. -----

### § 3

The Company shall be founded for an unlimited period. -----

## SCOPE OF BUSINESS

### § 4

1. The scope of Company's business activity shall be: -----
  - Tour operator activities –PKD 79.12.Z-----
  - Travel agency activities – PKD 79.11.B-----
  - Travel office activities – PKD 79.11.A-----
  - Publishing of books – PKD 58.11.Z-----
  - Publishing of registers and lists (e.g. address, telephone) - PKD 58.12.Z-----
  - Publishing of newspapers - PKD 58.13.Z-----
  - Publishing of journals and other periodicals - PKD 58.14.Z-----
  - Sound and music recording activities – PKD 59.20.Z-----
  - Other publishing activities - PKD 58.19.Z-----
  - Printing of newspapers - PKD 18.11.Z-----
  - Manufacture of paper stationery – PKD 17.23.Z-----
  - Other printing activities -PKD 18.12.Z-----
  - Binding and related services – PKD 18.14.Z-----
  - Pre-printing service activities - PKD 18.13.Z-----

- Wholesale of clothing and footwear- PKD 46.42.Z-----
- Wholesale of electrical household goods – PKD 46.43.Z-----
- Wholesale of watches, clocks and jewellery-PKD 46.48.Z-----
- Other wholesale of household goods - PKD 46.49.Z-----
- Non-specialised wholesale trade -PKD 46.90.Z-----
- Retail sale of clothing in specialised stores– PKD 47.71.Z-----
- Retail sale of footwear and leather ware in specialised stores– PKD 47.72.Z--
- Retail sale of books in specialised stores – PKD 47.61.Z-----
- Retail sale of newspapers and paper stationary in specialised stores – PKD 47.62.Z-----
- Retail sale of sports equipment in specialised stores – PKD 47.64.Z-----
- Retail sale of games and toys in specialised stores – PKD 47.65.Z-----
- Other retail sale of new goods in specialized stores– PKD 47.78.Z-----
- Other retail sale not in stores, stalls or markets– PKD 47.99.Z-----
- Retail sale of second-hand goods in specialised stores – PKD 47.79.Z-----
- Retail sale conducted via mail order houses or the Internet – PKD 47.91.Z--
- Finishing of textiles– PKD 13.30.Z-----
- Repair and maintenance of telecommunications equipment – PKD 95.12.Z--
- Repair of footwear and leather ware– PKD 95.23.Z-----
- Repair of other personal and household goods– PKD 95.29.Z-----
- Other service activity, not classified elsewhere– PKD 96.09.Z-----
- Other financial service activities not classified elsewhere, except insurance and pension – PKD 64.99.Z-----
- Agency in the sale of advertising time and space in radio and television – PKD 73.12.A-----
- Agency in the sale of advertising space in printed media – PKD 73.12.B-----
- Agency in the sale of advertising time and space in electronic media (Internet) – PKD 73.12.C-----
- Agency in the sale of advertising time and space in other media – PKD 73.12.D-----
- Photographic activities – PKD 74.20.Z-----
- Packing related activities– PKD 82.92.Z-----
- Service activities connected to administrative office service– PKD 82.11.Z--
- Other business support activities, not classified elsewhere – PKD 82.99.Z--
- Activity in organization of fairs, exhibitions and congresses– PKD 82.30.Z--
- Acting in the area of sound and music recordings - 59.20.Z-----
- Other information service activities, not classified elsewhere - PKD 63.99.Z--

- Specialised design activities - PKD 74.10.Z-----
- Other professional, scientific and technical activities, not classified elsewhere - PKD 74.90.Z-----
- Leasing of intellectual property and similar products, excluding rights protected under copyrights - PKD 77.40.Z-----
- Other business support activities, not classified elsewhere - PKD 82.99.Z---
- Out of school forms of sports education and sports and recreation activities - PKD 85.51.Z-----
- Activities of sports clubs - PKD 93.12.Z-----
- Other sports activities - PKD 93.19.Z-----
- Other entertainment and recreation activities - PKD 93.29.Z-----
- Other land passenger transport, not classified elsewhere- PKD 49.39.Z---
- Road cargo transport - PKD 49.41.Z-----
- Retail of bakery products and confectioneries executed in specialist stores - PKD 47.24.Z-----
- Retail of spirits and non-alcoholic beverages executed in specialist stores - PKD 47.25.Z-----
- Retail of other groceries executed in specialist stores - PKD 47.29.Z
- Wholesale of computers, peripheral devices, and software - PKD 46.51.Z---
- Wholesale of electronic and telecommunication devices and parts thereto - PKD 46.52.Z-----
- Wholesale of other machines and office equipment - PKD 46.66.Z-----
- Wholesale of other machines and devices - PKD 46.69.Z-----
- Activity related to managing informatics devices - PKD 62.03.Z-----
- Other services related to information technologies and computers - PKD 62.09.Z-----
- Data processing; hosting, and similar activities - PKD 63.11.Z-----
- Internet portals activities - PKD 63.12.Z-----
- Financial holdings activities - PKD 64.20.Z-----
- Other activities supporting financial activities, except for insurances and retirement funds - PKD 66.19.Z-----
- Activities of head offices and holdings, except for financial holdings - PKD 70.10.Z-----
- Public relations and communication - PKD 70.21.Z-----
- Other forms of advising pertaining to business activities and management - PKD 70.22.Z-----

- Activities of advertising agencies - PKD 73.11.Z-----
- Market and public opinion research - PKD 73.20.Z-----
- Other non-school forms of education, not classified elsewhere - PKD 85.59.B--
- Activities of sports facilities - PKD 93.11.Z-----
- Activities of objects used for physical fitness improvement - PKD 93.13.Z---
- Other services related to booking, not classified elsewhere - PKD 79.90.C---
- Rental and lease of recreational and sports equipment - PKD 77.21.Z-----
- Activity of insurance agents and brokers - PKD 66.22.Z-----
- Other activities supporting life insurances and retirement funds - PKD 66.29.Z-----
- Lease and management of own or leased real estate - PKD 68.20.Z-----
- Wholesale of perfume and cosmetics - PKD 46.45.Z-----
- Retail of cosmetics and toiletries in specialist stores - PKD 47.75.Z-----

2. An amendment to the scope of the Company's activities may be made without the requirement to purchase shares from those shareholders who do not agree to such amendment.

## **SHARE CAPITAL AND SHARES**

### **§ 5**

1. The share capital of the Company amounts to 1.393.333,40 zloty (say: one million three hundred ninety three thousand and three hundred thirty three zloty and 40/100) and is divided into 5.000.000 (say: five million) registered A shares with a nominal value of 0,10 zloty (say: zero zloty 10/100) each, 3.500.000 (say: three million five hundred thousand) bearer B shares with a nominal value of 0,10 zloty (say: zero zloty 10/100) each, 1.666.666 (say: one million six hundred sixty six thousand six hundred sixty six) registered C1 shares with a nominal value of 0,10 zloty (say: zero zloty 10/100) each and 1.166.668 (say: one million one hundred and sixty six thousand six hundred sixty eight) bearer C2 shares with a nominal value of 0,10 zloty (say: zero zloty 10/100) each and 100.000 (say: one hundred thousand) ordinary bearer D shares and 2.500.000 (say: two million five hundred thousand) ordinary bearer E shares with a nominal value of 0,10 zloty (say: zero zloty 10/100) each. -----

- 2. Before the Company's registration share capital has been covered fully from equity capital of the Transformed Company, that is MAKS Services Company L.L.C.-----
- 3. Registered A shares and C1 shares are preferred shares with voting rights at the General Assembly in such a way that one preferred share gives right to 2 (two) votes at the General Assembly.-----

**§ 6**

- 1. The share capital can be increased or reduced by a resolution of the General Assembly.-----
- 2. The Company's shares shall be issued in series marked with successive letters of the alphabet, to which number notation can be added.-----
- 3. Shares can be covered with monetary or non-monetary contribution. -----
- 4. The Company can issue bonds, including bonds convertible into shares-----
- 5. The Management Board is entitled to increase the share capital by no more than 500.000 zloty (five hundred thousand zloty) by 27 October 2008 (the day of the twenty-seventh of October of two thousand and eight) by carrying out one or several successive capital increase within the above mentioned limit (target capital). The Management Board can issue shares for monetary contributions. With the consent of the Supervisory Board, the Management board can deprive previous shareholders of subscription rights wholly or partly. -----
- 6. Capital increase, described in section 5 can occur through issuing of subscription warrants with time limit not later than the one indicated in section 5.-----

**§ 7**

The Company's shares are tradable, on the stipulation to § 9. -----

**§ 8**

- 1. Shares can be redeemed with the consent of the shareholder through their acquisition by the Company (optional redemption). -----
- 2. In exchange for the redeemed shares the Company may issue utility certificates. -----
- 3. Manner and conditions of redemption are determined each time by the General Assembly. -----

**§9**

- 1. Sale or mortgaging of registered shares is conditioned with the consent of the Company. -----

2. A shareholder intending to sell registered shares is obliged to inform in writing all the other shareholders who own registered shares as well as the Management Board, indicating the purchaser and the price.-----
3. Shareholders who own registered shares have the pre-emptive right to the registered shares which are to be sold.-----
4. Shareholders can exercise the pre-emptive right within 14 days of receipt of notice, by placing their orders for shares. -----
5. If the number of orders for shares exceeds the number of shares held for disposal, the Management Board will reduce them, proportionally to the number of shares owned by the shareholders.-----
6. If the shareholders do not exercise their pre-emptive right, sale of shares (as well as their mortgaging) is acceptable only with the consent of the Management Board. The Management Board shall give the consent in writing, under pain of nullity, within 14 (fourteen) days from the date of submitting the proposal on the subject. -----
7. If the Company refuses to allow the transfer of shares, they should within 30 (thirty) days from the date of notifying the Company of such an intention indicate a new purchaser. The price of each share will be in such a case net book value of the Company according to the Company's most recent financial statements, examined in accordance with applicable regulations, per each share and payment of the total price should be within 6 months from the date of notifying the Company of the intention to dispose of shares unless the Management Board determines a shorter term. If the Company does not indicate any other purchaser or the purchaser designated by the Company does not pay the total price for the shares within the dates specified above, shares may be disposed of without restrictions. -----
8. Preference shares are subject to inheritance with preservation of preference. --
9. Conversion of registered shares to bearer shares may be effected only with the consent of the Management Board with the consent given in writing under pain of nullity. -----
10. Conversion of preference registered shares to bearer shares or their disposal contrary to the conditions stipulated in the Statute result in loss of their preference. -----
11. The exercise by the pledgee or user of voting rights of shares pledged or being subject to use require the consent of the Management Board of the Company. -----

**§9<sup>1</sup>**

1. A shareholder INTERCONTACT Werbeagentur GmbH, limited liability company incorporated in accordance with the German law, with registered office in Heilbronn, Germany, entered in the Commercial Register B by the Regional Court in Heilbronn, Entry HRB 399, starting from the day of entry and payment by this shareholder the shares series C1 and C2, is entitled to the following personal powers pursuant to article 354 f the Code of Commercial Companies: -----

- 1) the right to indicate (appoint) 25% (twenty-five percent) of the composition of the Supervisory Board (Article 385, CCC), that is in particular one member of the Supervisory Board that consists of five to seven members and two members of the Supervisory Board that consists of eight to eleven members, -----

the right to request the calling of the General Assembly and to place specific matters in its agenda (Article 400, CCC), including the right to request the calling of the General Assembly concerning abolition of dematerialisation of shares (Article 91 section 5 of the Law on Public Companies),-----

- 2) the power to appoint committees at the General Assembly in order to verify the attendance register (Article 410 § 2, CCC),-----
- 3) need to obtain consent of INTERCONTACT Werbeagentur GmbH shareholder on exclusion by the General Assembly of rights issue of shareholders (Article 433, CCC),
- 4) the right to put forward the proposal on supplementing the list of the Company's liquidators (Article 463 § 2, CCC),-----
- 5) the right to request the calling of the General Assembly under Art. 516 § 2 CCC in order to adopt resolution described in Article 516 § 1 CCC, ---
- 6) the right to request the appointment of auditor for the special matters (Article 84 of the Law on Public Companies), -----
- 7) need to obtain consent of INTERCONTACT Werbeagentur GmbH shareholder on carrying out the compulsory redemption of minority shareholders of the Company (Article 418 § 1, CCC).-----

2. INTERCONTACT Werbeagentur GmbH is entitled to the above personal powers provided that two conditions are met, that is: -----

- sublicense agreements concluded on 24 October 2005 between MAKS Services Company JSC., with its seat in Brzezie and INTERSPORT

Deutschland eG, company incorporated in accordance with the German law, with registered office in Heilbronn, Germany, entered in the Commercial Register Entry GnR 124, are binding, -----  
- INTERCONTACT Werbeagentur GmbH will remain a shareholder of MAKS Services Company JSC., with its seat in Brzezine, having its share in the share capital not exceeding 25,0000044117% and share in the total number of votes attached to all the Company's shares not more than 25% (twenty-five percent) and not less than 10% (ten percent).-----

**§ 10**

In addition to share capital, the Company creates the following capital and funds:-----

- 1) supplementary capital, -----
- 2) capital reserves to finance the purchase of own shares, which are to be offered for purchase to employees who have been employed in the company for a period of at least 3 (three) years,
- 3) capital reserves to finance the purchase of own shares in order to prevent loss threatening the Company, -----
- 4) other capital and funds provided for by law and set up by resolution of the General Assembly. -----

**§ 11**

- 1. At least 8% (eight percent) of profit for a specific financial year is transferred to supplementary capital, as long as the capital does not reach at least one third of the share capital. -----
- 2. The surplus achieved in the issue of shares above their nominal value, remaining when the cost of issuing shares have been covered, is also transferred to supplementary capital. -----

**THE GOVERNING BODIES OF THE COMPANY**

**§ 12**

The Company shall have the following governing bodies: -----

- 1) the Management Board, -----
- 2) the Supervisory Board, -----
- 3) the General Assembly. -----

**THE MANAGEMENT BOARD**

**§ 13**

1. The Management Board consists of three to five members who shall be elected and dismissed by the General Assembly. The Members of the Management Board shall be elected for a term of five years. The Management Board includes: the President of the Management Board and two to four Vice-Chairmen of the Management Board.-----
2. The Management Board represents the Company in court and outside of it. In order to make a statement on the Company’s behalf, a cooperation of two members of the Management Board is needed or of one member together with an attorney. -----
3. The Management Board may give proxy and appoint an attorney. -----
4. Resolutions of the Management Board shall be adopted with an absolute majority of votes. If there is equal number of votes, the final word rests with the President of the Management Board. -----

**§ 14**

A newly elected Management Board is obliged to present the Supervisory Board with the program of the Company’s activities for the term it has been elected to – in the period of two months from the date of election.-----

**§ 15**

The Management Board is responsible for all the matters that do not lie within the competence of other governing bodies-----

**THE SUPERVISORY BOARD**

**§ 16**

1. The Supervisory Board consists of 5 (five) to 7 (seven) members, including the Chairman of the Supervisory Board. The number of Supervisory Board shall be established by the General Assembly. -----
2. The Members of the Supervisory Board shall be elected for a term of 5 (five) years. The Members of the first Supervisory Board are elected for a term of 1 (one) year, that is till the day of 31 August 2005 (the day of the thirty-first of August of two thousand and five). -----
3. The Members of the Supervisory Board shall be elected and dismissed by the General Assembly.-----
4. The Members of the Supervisory Board choose from among themselves the Chairman of the Supervisory Board. -----

**§ 17**

The Members of the Supervisory Board fulfil their duties in person. -----

**§ 18**

1. Sessions of the Supervisory Board shall take place at least once in three months and shall be called by the Chairman of the Supervisory Board or his deputy. -----

2. Persons entitled to call a session of the Supervisory Board are obliged to call a session on demand of at least three members of the Supervisory Board or the Management Board. In such a case a session of the Supervisory Board should take place within 14 days from the date of submitting a written motion to the Chairman of the Supervisory Board.. -----

3. The Supervisory Board can adopt resolutions during a session of the Supervisory Board or in writing or with the use of means of immediate communication. -----

4. Members of The Supervisory Board can participate in adoption of resolutions of the Supervisory Board by giving their vote in writing through another member of the Supervisory Board.-----

**§ 19**

1. Resolutions of the Supervisory Board shall be valid on condition that all the members have been invited and that at least half of the members participate in the session. Resolutions of the Supervisory Board shall be adopted with an absolute majority of votes unless particular dispositions of this statute state differently. -----

2. Agenda of a session of the Supervisory Board should be included in an invitation to the session. The Supervisory Board may decide on, under clause of nullity, only the matters included in the agenda of the session unless all the members of the Supervisory Board participate in the session and anyone of those present protests against holding of the session with an altered agenda or against examining matters that have not been included in the agenda of the session.---

**§ 20**

The Supervisory Board shall set its rules which in detail determine its course of action.-----

## § 21

The Management Board is obliged to gain approval of the Supervisory Board in order to perform the following activities: -----

- 1) purchase and sale of real property, purchase and sale of perpetual usufruct of properties, -----
- 2) sale or lease of the Company's enterprise or its established part. -----

## THE GENERAL ASSEMBLY

### § 22

1. The General Assembly is the Company's supreme organ in which the shareholders participate and each share entitles to one vote unless it is a preferred share with voting rights.-----

2. The right to participate in the General Assembly is restricted solely to individuals who have been the Company's shareholders sixteen days prior to the date of the General Assembly (day of registering participation at the General Assembly). The day of registering participation at the General Assembly shall uniform for the individuals entitled under the bearer shares and registered shares. -----

3. Individuals entitled under the bearer shares and temporary certificates as well as pledges and users with the right to vote are entitled to participate in the General Assembly provided if they are entered in the stockholders' ledger on the day of registering participation in the General Assembly. -----

4. Bearer shares in the form of a document give the right to participate in the General Assembly of a publicly listed company if share documents have been submitted to the Company not later than on the day of registering participation in the General Assembly and are not reclaimed before the end of the day. Certificates – given by a notary, bank or brokerage house with the seat of the headquarters or branch in the EU or a country that is a party of the European Economic Agreement indicated in the announcement of the General Assembly – can be submitted instead of the shares. -----

5. Shareholder or shareholders representing at least one twentieth of the share capital may request including in the agenda of the next General Assembly certain items. Such a request should be submitted to the Management Board not later than twenty one days before the scheduled date of the General Assembly. The request should include justification or a draft of the resolution on the proposed item. The request may be lodged by way of an E-mail.-----

6. Shareholder or shareholders representing at least one twentieth of the share capital may report to the Company drafts of resolutions pertaining to the items included to the agenda or items which are to be introduced to the agenda, prior to the date of the General Assembly, in writing or using electronic communication media. The Company shall immediately announce resolution drafts on its website. -----

7. General Shareholders’ Meetings are broadcast on the Company’s website. --

**§ 23**

A list of shareholders who are entitled to participate in the General Assembly is made, according to the rules included in the Code of Commercial Companies, before each General Assembly. This list should be available in the seat of the Company within three weekdays prior to the General Assembly. -----

**§ 24**

Once the chairman of the General Assembly is elected, a list of the participants should be compiled mentioning the number of shares of each one and the votes they are entitled to. The list shall be signed by the chairman of meeting. ----

**§ 25**

The shareholders may participate in the General Assembly and exercise the right of vote in person or through a representative. -----

**§ 26**

The General Assembly takes place annually within six months after the financial year has passed. -----

**§ 27**

- 1). The General Assembly is convened by the Management Board. -----
- 2). The Supervisory Board may convene ordinary general should the Management Board fail to do so by the end of June of a given year and the extraordinary General Assembly should the Supervisory Board find it appropriate. -----
- 3). Shareholders representing at least half of the share capital or not less than half of all votes in the Company may convene extraordinary General Assembly. The Shareholders appoint the chairman of the meeting convened in such a manner. -----

4). Shareholder or shareholders representing at least one twentieth of the share capital may request convening the extraordinary General Assembly and request to include specific matters in the agenda. The request to convene extraordinary General Assembly should be submitted to the Management Board in writing or in an electronic form. If within two weeks after the date of submitting such a request the extraordinary meeting has not been convened, then the Court of Registration may authorize the shareholders submitting the request to convene the extraordinary General Assembly. The Court appoints the Chairman of such an extraordinary General Assembly. -----

**§ 28**

The General Assembly is able to adopt valid resolutions provided that more than a half of share capital is represented, regardless of the number of shares and the volume of capital that is represented unless dispositions of this statute or of the Code of Commercial Companies state differently.-----

**§ 29**

- 1. The General Assembly takes place in the seat of the Company and in Cracow, Warsaw or any other place within the territory of the Republic of Poland, -----
- 2. The Chairman of the Supervisory Board opens the General Assembly and in case of his absence a member of the Supervisory Board does it. -----
- 3. The General Assembly shall set its rules which in detail determine its course of action. -----

**§ 30**

Resolutions are passed by a simple majority of votes unless dispositions of this statute or of the Code of Commercial Companies state differently.-----

**§ 31**

- 1. The following matters require resolutions of the General Assembly-----
  - 1) consideration and approval of the financial statement and the report of the Management Board and the Supervisory Board on the activities of the Company for the previous financial year, -----
  - 2) deciding on claims related to loss repair caused during setting up of the company or running the company or supervising it, -----
  - 3) division of profits or coverage of losses, -----

- 4) giving the vote of approval to members of governing bodies of the Company for execution of their responsibilities, -----
- 5) issue of convertible bonds for shares, -----
- 6) a change of the statute, -----
- 7) integration of companies, transformation of the Company, its dissolution and liquidation, -----
- 8) sale or lease of the Company's enterprise or its established part and establishment of limited real estate security right on them, -----
- 9) consideration and settlement of the proposals submitted by the Supervisory Board, -----
- 10) deciding on other matters lying within the competence of the General Assembly, according to the Code of Commercial Companies and the dispositions of this statute. -----

2. As long as INTERCONTACT Werbeagentur GmbH, limited liability company incorporated in accordance with the German law, with registered office in Heilbronn, Germany, entered in the Commercial Register B by the Regional Court in Heilbronn, Entry HRB 399, remains a shareholder of the Company with a number of shares ensuring no less than 10% (ten per cent) of the total number of votes of all the Company's shares, this shareholder's approval will be essential in order to validate a resolution of the General Assembly concerning: -----

- 1) a change of the name of the Company, -----
  - 2) a change of the Company's Statute, excluding: -----
    - a) changes related to the introduction of the Company's shares to trading on a regulated market and leaving it in this trading or carrying out a public offer of the Company's shares issue,-----
    - b) a change of the Company's seat within the territory of the Republic of Poland, -----
  - 3) a substantial change of the scope of Company's business activity, as a result of which retail sale of sports goods will no longer be the main scope of Company's business activity, -----
  - 4) increasing or reducing of the Company's share capital and the resulting changes of the Company's Statute, -----
- entitlement changes resulting from the shares of the Company, excluding exchanges of the Company's registered shares for bearer shares, which is carried

out pursuant to § 9 section 9 of the Company's Statute at the request of a shareholder, -----

- 5) integration of the Company with another company or division of the Company, sale or lease of the Company's enterprise or its established part and establishment of limited real estate security right on them, -----
- 6) sale or lease of the Company's enterprise or its established part according to the tax regulations, while sale or lease of established part of the enterprise is not constituted by sale or lease of the assets, including rights and obligations related to particular locations (stores), where the Company carries out activity or intends to do so, if their number does not exceed in a given year 10% (ten percent) of all the locations (stores) where the Company carries out activity, and an agreement concerning such a sale does not anticipate another sales in the following years; additionally sale or lease of the assets, including rights and obligations, concerning the store of the Company in Cracow in Zyblikiewicza street, -----
- 7) sale of assets worth at least 10% (ten percent) of the income from the sales in the period of past four quarters,-----
- 9) sale or lease of the Company's real estate -----

### **§ 32**

1. Persons in possession of shares entitling to more than 20% of the total number of votes in the Company, exercise the right to vote from the shares of no more than 20% of the total number of votes in the Company.-----
2. Restrictions described in section 1 do not concern Artur Mikołajko, Marek Radwański, Sławomir Gil, Jolanta Milewska. -----
3. Restrictions described in section 1 do not concern INTERCONTACT Werbeagentur GmbH, however, the shareholder exercises the right to vote from the shares of no more than 25% (twenty-five percent) of the total number of votes in the Company.-----

### **FINANCIAL MANAGEMENT AND ACCOUNTING OF THE COMPANY**

### **§ 33**

1. The Company keeps the accounts and financial reporting pursuant to provisions of the Code of Commercial Companies, Accounting Act and other regulations applying in this scope. -----
2. The Supervisory Board chooses auditor to examine financial reports of the Company.-----

**§ 34**

Financial year of the Company coincides with calendar year, however, the first financial year finishes on the last day of calendar year in which transformation will occur. -----

**§ 35**

Organization of the Company is determined by organizational rules set by the Management Board. -----

**§ 36**

The financial and activity reports of the Company should be made by the Management Board no later than in the period of five months from the end of the financial year. The General Assembly should adopt a resolution concerning approval of the reports in the period of six months from the end of the financial year. -----

**§ 37**

1. Resolution of the General Assembly concerning division of annual income between the Shareholders shall indicate the date of payment of dividends and the date of establishing the right to dividends. -----
2. The Management Board is entitled to make a down payment to shareholders on account of anticipated dividends at the end of the financial year, provided that the Company is in possession of means adequate for making a down payment. A down payment requires to be approved of by the Supervisory Board. -----

**FINAL PROVISIONS**

**§ 38**

All matters not provided for herein shall be governed by the Code of Commercial Companies. -----