



**REGULATIONS OF
THE SUPERVISORY BOARD
OF BARLINEK SPÓŁKA AKCYJNA
WITH REGISTERED OFFICE IN KIELCE**

Passed on the basis of § 20 par. 3 of the Statutes, on the session of the Supervisory Board of Barlinek SA., on February 27, 2008.

**Chapter I General
Provisions**

§1

1. For the purposes of these By-laws the terms herein referred to shall have the following meanings:
 - a) The term 'Company' means Barlinek SA with its registered office in Kielce, entered into the Register of Entrepreneurs by the District Court in Kielce, X Commercial Department of the National Court Register under the KRS number 0000018891,
 - b) The term 'Management Board' means the Management Board of the Company in the meaning of the Code of Commercial Companies,
 - c) The term 'Management Board Member' means a person appointed following a resolution adopted by the Supervisory Board of the Company,
 - d) The term 'Board' means the Supervisory Board of the Company in the meaning of the provisions of the Code of Commercial Companies,
 - d) The term 'Statutes' means the Statutes of the Company;
 - e) The term 'resolution' means a joint decision of the Supervisory Board,
 - f) The term 'Code of Commercial Companies' means the act of September 15, 2005 - Code of Commercial Companies (Journal of Laws No. 94, item 1037, with further amendments)
2. These By-laws of the Supervisory Board (hereinafter referred to as 'By-laws) defines the organization and operational proceedings of the Supervisory Board of Barlinek Spółka Akcyjna with registered office in Kielce, its powers and duties and the manner of their execution.

**Chapter II Membership, manner of election and the length
of the term of office**

§2

1. Only natural persons may be members of the Supervisory Board.
2. Supervisory Board members are elected for a period of three years.
3. Supervisory Board members are elected for the period of joint term of office.



4. Supervisory Board members may be re-elected.

§3

1. The Supervisory Board shall comprise of 5 (five) or more members elected by the General Shareholders Meeting. A resolution of the General meetings shall every time specify the quantitative and personal composition of the Supervisory Board.
2. The Supervisory Board shall elect, from among them, the Chairman, the Deputy Chairman and the Secretary of the Board.
3. The Chairman of the Supervisory Board shall chair all session of the Supervisory Board. Shall the Chairman be absent the sessions are attended by the Deputy Chairman.

§4

1. The members of the Supervisory Board shall be obliged to immediately inform the Company, however no later than within 7 days of this fact, about their election to managing or supervising authorities in other capital companies or about their participation in other companies as partners of a civil company or private company.
2. The members of the Supervisory Board delegated to permanently perform individual supervision cannot, without the consent of the Company, conduct competitive business or participate in other competitive company as a partner of a civil company, private company or as a members of a capital company' authorities, or participate in other competitive legal person as a members of its authorities. This ban shall also include participation in a competitive capital company if the member of the Supervisory Board possesses at least 10% of shares in that company or the right to appoint at least one members of the management board.

§5

1. The Supervisory Board members shall be obliged to observe the provisions of the code of commercial companies, the Statutes of the Company and these By-laws.
2. Any members of the Supervisory Board should most of all bear in mind the interests of the Company.
3. All information acquired by the Supervisory Board members in the course of performing their duties, and concerning the statutory operations of the Company shall be confidential. Any Supervisory Board member shall be obliged to observe this confidentiality even after his mandate expires.
4. When contacting mass media, the Supervisory Board members shall be only entitled to provide the media with generally available information concerning the Company. All statements for the media concerning the Company or the Board shall be reserved for the Chairman of the Board and in case of his absence for the Deputy Chairman of the Board.

§6

Any Supervisory Board members shall be entitled to hand in resignation from his function prior to expiry of his term of office for which he has been elected by submitting a relevant statement to the General Shareholders Meeting. A Supervisory Board member should not hand in resignation from his function if such an act would hinder functioning of the Board and in particular if such an act would hinder adopting a material resolution.

§7

1. The Mandate of a Supervisory Board member shall expire, at the very latest, on the date of holding a General Meeting approving the financial statement of the Company for the last full financial year of his function as a Supervisory Board member.

2. The mandate shall also expire as a result of death or dismissal of a Supervisory Board member the moment such a situation occurs.

§8

1. In the event of death, resignation or dismissal of a Supervisory Board member prior to expiry of his term of office, the Chairman shall request the Management Board to immediately convene a General Meeting in order to conduct supplementary elections to the Board.

2. If due to expiry of the mandates of Supervisory Board members the number of the Supervisory Board members is lower than 5 persons, the Supervisory Board shall not be able to adopt legally binding resolutions, and the Chairman of the Board or in case of his absence the Deputy Chairman of the Board shall request the Management Board to immediately convene an extraordinary General Meeting and place the issue of electing new Board members on the agenda of the General Meeting.

3. In the cases specified in item 1 or 2 of this paragraph, shall the Management Board fail to convene a General meeting within 14 (fourteen) days from the date of submitting the request, the Chairman of the Supervisory Board or its Deputy Chairman is entitled to convene a General meeting.

Chapter III Sessions of the Supervisory Board

§9

1. The Supervisory Board shall hold its sessions as required, however not less infrequently than three times in a financial year.

2. A session of the Supervisory Board shall be convened by the Chairman or in case of his absence by the Deputy Chairman who in such situation shall chair the session of the Supervisory Board. The Management Board or a Supervisory Board member shall be entitled to convene the Supervisory Board session submitting the proposed agenda. The Chairman of the Supervisory Board shall convene the session within two weeks from the date of receiving such a motion.

3. The Supervisory Board sessions shall be held at the registered office of the Company or in the location indicated by the Chairman.



§10

1. The Chairman or the Deputy Chairman shall inform the other members about sessions and invite them to the sessions by phone, fax or in writing in advance so that such an invitation may be delivered to the members no later than 7 (seven) days prior to the planned date of the session. In emergency situations this period may be shortened.
2. Shall the Chairman of the Board fail to convene the session within the period specified in § 9 par. 2 the requesting party is entitled to convene it independently in the manner specified in this paragraph.
3. The invitation to the Supervisory Board session, signed by the Chairman of the Board, should contain: date, time, location of the session, agenda and possible draft resolutions. The agenda may be subject to changes, provided all the Board members are present at the session.

§11

The Supervisory Board sessions may be attended by other persons invited by the Chairman of the Supervisory Board, including the Management Board members, however with no right to vote.

§12

The session shall be chaired by the Chairman or in case of his absence by the Deputy Chairman of the Board. Shall the Chairman of the Board or the Deputy Chairman of the Board fail to appear at the session then the session shall be chaired by a Board member appointed by those present at the session.

Chapter IV Resolutions

§13

The Board members shall make decisions related to exercising the right to supervise and control in the form of resolutions of the Supervisory Board.

§14

1. For the resolutions of the Supervisory Board to be valid, all the Board members must be informed of the session and at least half of the members must be present at the session.
2. The Supervisory Board members shall be entitled to adopt resolutions of the Board by voting in a written form through the agency of other Supervisory Board member. Casting the vote in a written form cannot be applied to issues placed on the agenda at the session of the Supervisory Board.
3. The Supervisory Board resolutions may be adopted in a written form, or through direct verbal communication. The resolution shall be valid if all the Supervisory Board members have been provided with the contents of the draft resolution.
4. The Supervisory Board resolutions shall be adopted by the majority of cast votes.
5. If during the process of adopting resolutions by the Board the voting is undecided then the Chairman of the session shall have the casting vote.

§15

The Supervisory Board sessions shall be recorded in the minutes. The Supervisory Board resolutions shall be recorded in such a manner as to constitute an addendum to the minutes or they shall be included in the minutes. The minutes should also contain: date and the location of the Board session, the agenda, full names of the Board members present at the session, the number of votes cast in favour of particular resolutions. The minutes must be signed by all the Supervisory Board members present at the session. Possible separate opinions of the members present at the session should be attached to the minutes. The minutes shall be kept in the Management Board Office of the Company.

Chapter V Powers of the Supervisory Board

§16

1. The powers of the Supervisory Board shall include permanent supervision over the activities of the Company and other actions compliant with the provisions of the Code of commercial companies and other legal acts.
2. The powers of the Supervisory Board shall include in particular:
 1. evaluation of the financial statement for the last financial year, in scope of its compliance with the books and documents, as well as with the actual state,
 2. evaluation of the report of the Management Board for the previous year of the Company's activities in scope of its compliance with the books and documents, as well as the actual state, and expressing opinions on the motions of the Management Board concerning distribution of profits and coverage of losses,
 3. submission of annual written report to the General Meeting concerning the results of statements' evaluation which are specified in points 1 and 2,
 4. approval of by-laws issued by the Management Board regulating internal organization of the Company's enterprise,
 5. selection of an expert auditor to audit the financial statement of the Company,
 6. giving consent for undertaking obligations and disposal of rights related to issues covered by current activities of the company - if their value exceeds 20% of the Company's equity. In case of doubts whether a case in question is covered by the current activities of the Company, the Supervisory Board shall have the right, upon request of the Management Board, to its own interpretation of the case. This interpretation shall be valid for the Management board;
 7. giving consent for undertaking obligations and disposal of rights related to issues outside the current activities of the Company - if their value exceeds 10% of the Company's equity;
 8. giving consent for the Management Board to enter into contract with a sub-issuer, which is referred to in art. 433 § 3 of the code of commercial companies;
 9. performance of other tasks specified in the Statutes of the Company and relevant provisions of the Code of commercial companies.

§17

1. For the purpose of performing its duties the Supervisory Board shall be entitled to control the full scope of the Company's activities, and in particular to:



- 1) request the Management board to present documents and other materials concerning the Company's activities,
- 2) review the files and documentation of the Company,
- 3) request the Management Board and employees to present reports and explanations,
- 4) review the assets of the Company.

2. The Supervisory Board shall be entitled to propose motions to the General Meeting in all issues within its tasks and powers.

§18

1. The Supervisory Board shall perform its duties jointly; however, it shall be entitled to delegate its members, upon a resolution, to independently perform certain supervising functions.

2. The Supervisory Board members shall perform their rights and obligations in person.

3. The Supervisory Board members may be awarded remuneration. The remuneration shall be determined by a resolution of the General Meeting.

Chapter VI Powers and obligations of the Chairman of the Board

§19

The Chairman of the Board shall organize the operations of the Board and control the execution of its resolutions.

§20

The Deputy Chairman shall have the powers of the Chairman of the Board if due to objective reason the Chairman cannot perform his duties or if the Chairman of the Board gives him appropriate authorization.

§21

The powers of the Chairman shall include:

- 1) management of the Board's operations,
- 2) initiating and suggesting fields of interest and activities of the Board for future periods,
- 3) setting forth the date and convening the sessions of the Board,
- 4) chairing the sessions of the Board,
- 5) providing the Board with the proposed agenda if the session and draft resolutions,
- 6) signing employment contracts or contracts of different nature with the Management Board members, together with establishing the amount of their remuneration and bonuses, after prior approval of the contents of such contracts, by a resolution of the Supervisory board,
- 7) representation of the Board at the General Shareholders Meeting and before the Management Board of the company,
- 8) participation in the sessions of the Company's Management Board.



Chapter VII Final provisions

§22

1. The Management Board Office of the company shall provide office services to the Supervisory Board.

2. The office service shall include, *inter alia*: preparation of invitations to the sessions of the Supervisory board and their sending to particular members of the Board in the manner consistent with these by-laws, organizing the premises where a session of the Supervisory Board is to be held, taking the minutes of the sessions, servicing of the sessions, archiving documentation of the Supervisory Board.

§23

These by-laws shall come into force upon its adoption by the Supervisory Board.

§24

Any changes in these by-laws shall require a resolution of the Supervisory Board.

Kielce, February 27, 2008.