

Regulations accepted by Extraordinary Annual Meeting of Shareholders on 4th of September 2007

Regulations of the Supervisory Board of THE COMPANY RADPOL S.A. based in Człuchów

Chapter 1 General provisions

1. The Supervisory Board has continuing supervision of all activities of the Company.
2. The composition of the Supervisory Board, its method of its members' choice, as well as the rights and responsibilities of the Supervisory Board and its individual Members are defined by the relevant provisions of law, in particular, by the Code of Commercial Companies and the Statute of the Company.
3. In case when these resolutions would get into conflict with the regulations of the Statute of the Company, the Code of Commercial Companies or other provisions - for example due to changes of law – these regulations are obligatory.
4. The Supervisory Board shall elect from among its members the Chairman of the Board and his deputy (Vice-President) and Secretary.

Chapter 2 Mode of convocation of Supervisory Board sittings

1. The Supervisory Board of the Company shall hold a sitting at least once per quarter in the year.
2. The sitting of the Supervisory Board is held at the headquarters of the Company or in Warsaw. Members of the Board may determine other place to hold the sitting by resolution. Due to important reasons, the decision concerning the change of location of the sitting is also dependent on the Chairman of the Supervisory Board.
3. The Supervisory Board meeting is convened by the President of the Supervisory Board on their own initiative or at the request of any member of the Supervisory Board or at the request of the Board of Directors - submitted to the President of the Supervisory Board in the form of a written request containing the proposed agenda. If the President at the request of a member of the Supervisory Board or the Board of Directors does not convene the meeting within 7 days from the date of receipt of the request to convene such meeting, the applicant is authorized to do so.
4. Sittings of the Supervisory Board should take place within 21 days from the convening application date.
5. In the case of the appointment of the Supervisory Board of new tenure by the General Assembly of Shareholders, the first meeting of the Supervisory Board shall be convened and opened by the President or Vice-President of the retiring Board and shall chair the election until new President is chosen.
6. If the President or Vice-President of the retiring Board should not convene a meeting of the Supervisory Board according to paragraph 5 chapter 2 of this Regulations, within one month from the date of the election of the new Supervisory Board, the Board sitting may be convened by at least two members of the new Board. In this case, provisions from paragraph 3 mentioned above are relevant.
7. The Chairman or Deputy Chairman of the Board shall convene the sitting by sending invitations to all members by mail, fax or as a delivery note. A member may also be notified via other means - e-mail, phone, fax.
8. Sitting of the Board shall be considered correctly convened if the President of the Supervisory Board should notify all members of the Board about the date of the sitting during the previous one, but in this particular case, absent members of the Supervisory Board are invited in accordance with paragraph 7.
9. The sitting of the Supervisory Board may also take place without formal convening, if all members of the Supervisory Board are present, and no one neither objects to hold a meeting, nor comments on the agenda of the sitting.

10. The invitation to participate in the sitting should include place and time of the sitting and the agenda of the sitting.
11. Service of sittings of the Supervisory Board is committed to the Secretary of the Supervisory Board and the organization to the Board of Directors.
12. The invitation to participate in the sitting along with an agenda is sent to the members of the Supervisory Board by the Chairman or Vice-Chairman of the Supervisory Board, or, with their authority, Secretary of the Board; and materials related to the matters covered by the agenda of the meeting are prepared and distributed by Company's Board of Directors in consultation with the Secretary of the Board. The dispatch of these materials should be done at least 3 (three) days before the scheduled date of the sitting.

Chapter 3 Agenda of the Supervisory Board sitting

1. Agenda of the sitting shall be determined by the Chairman of the Supervisory Board, Vice-Chairman, or in case referred to in paragraph 6 chapter 2 of this Regulations - by Members of the Supervisory Board with new terms of office. The proposed agenda should take into account the proposals formed by the Board of Directors for the Supervisory Board's sitting.
2. In case referred to in paragraph 3 chapter 2 of these Regulations, the agenda determined by the President of the Supervisory Board must include the agenda proposed by the proposers.
3. Agenda of the sitting shall be made public by the President at the beginning of the deliberations of each Supervisory Board sitting.
4. In particularly, well justified cases, each of the members of the Supervisory Board, after the opening of the sitting, has a right add an additional point to the agenda. Such a request is always reviewed by the Board by voting.
5. The mandatory point on the first sitting's agenda is the selection of the President of the Supervisory Board, their Vice-President and the Secretary for the next term of office.
6. In case of resignation or when during the sitting of the Supervisory Board, the General Assembly of Shareholders of the Company will dismiss Chairman of the Supervisory Board, having not assigned the functions to any other person - the arrangements contained in paragraph 5 of these Regulations shall be applied.
7. In case of cancellation or resignation of a member of the Supervisory Board fulfilling duties of the Vice-President or Secretary of the Board - the arrangements contained in paragraph 5 of these Regulations shall be applied.

Chapter 4 The way of holding of sittings of the Supervisory Board

1. Sittings are held according to the Board's agenda.
2. Supervisory Board meetings are chaired by the President of the Supervisory Board, and in their absence by Vice-President.
3. Sittings of the Supervisory Board shall be recorded.
4. Protocol of the sitting of the Supervisory Board shall be composed by the Secretary of the Board, or in their absence by any other person proposed by the President of the Supervisory Board and approved by the Board. In case of lack of acceptance, the protocol is composed by the President, and in their absence – by Vice-President.
5. The Protocol should determine the validity of a sitting of the Supervisory Board, depict the course of the sitting, the content of the resolutions taken, the result of the voting, and name the persons present at the sitting. A list of attendance signed by present members of the Supervisory Board should be attached to the protocol, unless a member of the Board benefits from the voting mode referred to in paragraph 9 section

- 5, about which the President, and in their absence - Vice-President, makes a mention in the protocol.
6. Members of the Supervisory Board may participate in a sitting of the Board by their physical presence or by means of communication.
 7. In order to make the preparation of the report easier, the sittings of the Supervisory Board may be recorded on a tape or on other carrier – only with the consent of all the Supervisory Board members present at the meeting.
 8. Any doubts of Supervisory Board members concerning the invitation to the meeting, the issues on the agenda or mode of voting is settled by the President of the Board, and in their absence by Vice-President.
 9. Board of Directors, individual members of the Board or other persons may attend sitting of the Supervisory Board, if invited, with the exception of matters relating directly to them. President of the Supervisory Board or in their absence Vice-President handles the invitations.
 10. Particular issues placed on the agenda of the sitting of the Supervisory Board are reported by the members of the Supervisory Board by notifying the Board about a proposal to place on the agenda of the sitting of the Supervisory Board, President of the Board or a person designated by them.
 11. Protocol of the meeting of the Supervisory Board is signed by all members of the Supervisory Board present at this meeting, but not later than at the next sitting of the Supervisory Board.
 12. With no defined time of the signing of the Protocol of the Supervisory Board's sitting, the resolutions shall be valid from the moment of making results of the voting known and from the statement of the adoption of the resolution.
 13. Members of the Supervisory Board may make comments to the Protocol no later than at the next Board sitting before the signing of the Protocol. Comments regarding the content should be notified in writing.
 14. Duration of the sittings, the number and length of breaks, the duration of speaking in the debate and other procedural issues are determined by the President of the Supervisory Board conducting a sitting, or in the absence of the President – by Vice-President.
 15. Protocols of the sitting of the Supervisory Board shall be kept at the headquarters of the Company. Each of the members of the Supervisory Board shall have the right to receive a copy of the Board protocol.

Chapter 5 Resolutions and voting during sitting of the Supervisory Board

1. For the resolutions of the Board to be valid, an invitation of all the members of the Supervisory Board with at least seven days in advance is required. The provisions of Chapter 2 shall be applied. The Supervisory Board shall act, if at least half of the Board members are present at the sitting, including the members who participate in the sitting by means of direct communication.
2. Voting during sittings of the Supervisory Board are public.
3. The Supervisory Board may, by resolution, provide for a secret voting.
4. Voting is based on the farthest-reaching proposals. Voting applications - on issues of formal objections and conclusions on important matters of are taken into consideration in the first place.
5. The person submitting the request is required to submit a draft of resolution.
6. The voting takes such votes into consideration: votes for, votes against and abstentions.
7. Each of the members of the Supervisory Board shall have the right to bring to the Protocol, an "individual opinion".
8. Resolutions of the Supervisory Board are accepted by a simple majority of votes cast. In the event of a tie, the President decides.

9. Resolutions of the Supervisory Board with regard to Article 388 of Code of Commercial Companies may also be taken by written voting through another member of the Board or by means of direct communication. Adoption of a resolution in this mode may only take place at the request of the Supervisory Board (or under their authority – of Vice-President). The President of the Supervisory Board shall also specify the mode, in which the votes of members of the Board are to be transferred. The resolution taken in this mode is effective, if all members of the Supervisory Board have been notified about the content of the resolution. In this case, in the absence of individual establishments of the Supervisory Board, the Chairman:
 - a. in the case of taking resolutions by telephone or other means of verbal communication, a member of the Supervisory Board shall orally declare whether they are “for”, “against”, or whether they “abstent from” - such statement can be adopted by the President of the Supervisory Board, the Vice-President or other person authorized by the President, who prepares a written note in this regard,
 - b. in the case of taking resolutions by other means of communication (fax, e-mail, letter), a member of the Supervisory Board is required to submit their statement in this particular form, but also same signature on the resolution will also be considered as a vote "for".
10. In case of voting as indicated in paragraph 9 of this Chapter, each member of the Supervisory Board is obliged to confirm their vote in form of the signature under the resolution, no later than at the next meeting of the Supervisory Board.
11. Voting in writing or by means of direct communication cannot relate to the issues introduced in the agenda for the meeting of the Supervisory Board.
12. Passing resolutions in accordance with paragraph 9 does not concern the Chairman and Vice-Chairman of the Supervisory Board.
13. Copy of resolutions taken by correspondence are attached to the protocols of sittings of the Supervisory Board with the results of the voting and notes concerning statements referred to in paragraph 9 a) above.

Chapter 6 Final provisions

1. The Company bears the costs of the Supervisory Board.
2. At least two members of the Supervisory Board designated by the President should participate in general assembly of shareholders of the Company.
3. Changing the content of these Regulations may be completed by resolution of the Supervisory Board of the Company.
4. These Regulations, as well as its amendment shall come into force from the moment of its adoption by the Supervisory Board.