

**CONTENTS OF THE RESOLUTIONS ADOPTED BY XXVIII ORDINARY GENERAL  
MEETING OF SHAREHOLDERS OF PROCHEM SA  
on 12 June 2010**

**RESOLUTION NO 1**

1. Acting on the basis of article 17 of Statutes of the Company, THE GENERAL MEETING OF PROCHEM SA is adopting the Bylaw of General Meeting of PROCHEM SA adapted for the amended Commercial Companies Code, constituting Enclosure No 1 to this resolution.
2. The resolution shall come into effect upon its adoption.

**RESOLUTION NO 2**

1. Acting on the basis of Article 17 of Statutes of the Company, THE GENERAL MEETING OF PROCHEM SA is adopting the report of the Management Board on the Company activities in 2009.
2. The resolution shall come into effect upon its adoption.

**RESOLUTION NO 3**

1. Acting on the basis of article 17 of Statutes of the Company, THE GENERAL MEETING OF PROCHEM SA is approving the financial statement of PROCHEM SA for 2009 including:
  - 1) statement of the financial position as at 31 December 2009, with total assets and liabilities plus equity in the amount of PLN **113,282** thousand (say: one hundred thirteen million two hundred eighty two thousand Zloty)
  - 2) profit and loss account for the accounting year from 1 January 2009 to 31 December 2009, disclosing a net loss in the amount of PLN **3,118** thousand (say: three million one hundred eighteen thousand Zloty)
  - 3) statement of total revenues for the period from 1 January 2009 to 31 December 2009, disclosing total loss in the amount of PLN **3,118** thousand (say: three million one hundred eighteen thousand Zloty)
  - 4) cash flow statement for the accounting year from 1 January 2009 to 31 December 2009, showing a cash decrease in the amount of PLN **7.464** thousand (say: seven million four hundred sixty four thousand Zloty)
  - 5) statement of changes in equity disclosing a decrease in equity by the amount of PLN **3,658** thousand (say: three million six hundred fifty eight thousand Zloty)
  - 6) additional information on the adopted accounting standards (policies) and explanations
2. The resolution shall come into effect upon its adoption.

#### **RESOLUTION NO 4**

1. Acting on the basis of article 17 of Statutes of the Company, THE GENERAL MEETING OF PROCHEM SA is acknowledging the fulfilment of duties in the period from 1 January 2009 to 31 December 2009 by to the Management Board composed of :
  - Jarosław Stępniewski ..... votes cast in favour of,
  - Marek Kiersznicki .. ..... votes cast in favour of,
  - Krzysztof Marczak ..... votes cast in favour of.
2. The resolution shall come into effect upon its adoption.

#### **RESOLUTION NO 5**

1. Acting on the basis of article 17 of Statutes of the Company, THE GENERAL MEETING OF PROCHEM SA is acknowledging the fulfilment of duties in the period from 1 January 2009 to 31 December 2009 by to the Supervisory Board of PROCHEM SA composed of :
  - Andrzej Karczykowski ..... votes cast in favour of,
  - Marek Garliński ..... votes cast in favour of,
  - Dariusz Krajowski-Kukiel .....votes cast in favour of,
  - Krzysztof Oblój ..... votes cast in favour of,
  - Steven Tappan ..... votes cast in favour of.
2. The resolution shall come into effect upon its adoption.

#### **RESOLUTION NO 6**

1. Acting on the basis of article 17 of Statutes of the Company, THE GENERAL MEETING OF PROCHEM SA is deciding about covering a loss in 2009 in the amount of PLN 3,118,140.54 from the reserve capital.
2. The resolution shall come into effect upon its adoption.

#### **RESOLUTION NO 7**

1. Acting on the basis of article 11 of Statutes of the Company and art. 359 of the Commercial Companies Code, THE GENERAL MEETING OF PROCHEM SA is redeeming 5,000 pieces of ordinary class D bearer's shares (issued in the form of inscribed shares ) with the total face value of PLN 87,032.65 on the basis of the following resolutions of the General Meeting:
  - resolution No 6 item 3 of the XXII Ordinary General Meeting of PROCHEM SA of June 19<sup>th</sup> 2004,
  - resolution No 6 item 2 of the XXIII Ordinary General Meeting of PROCHEM SA of June 25<sup>th</sup> 2005,
  - resolution No 6 item 2 of the Ordinary General Meeting of PROCHEM SA of June 21<sup>st</sup> 2008.
2. The redemption is taking place under the procedure art. 360 § 2 section 3 the Commercial Companies Code without any benefits for the shareholders, and capital is lowered under a simplified procedure.
3. The General Meeting is allocating to spare capital amount of PLN 910,672.83 which was not used for the purchase of own shares with aim of the redemption.
4. The resolution shall come into effect with the registration date of changes to the Statutes by the Registration Court.

### **RESOLUTION NO 8**

1. Acting on the basis of article 11 of Statutes of the Company in order to realize article 359 § 1 of Commercial Companies Code THE GENERAL MEETING OF PROCHEM SA is deciding to lower share capital of the company by amount of PLN 5,000 from the amount of PLN 3,900,000 up to amount PLN 3,895,000 as a result of redemption of 5000 ordinary bearer's shares of D series issued as inscribed.
2. The resolution shall come into effect with the registration date of changes to the Statutes by the Registration Court .

### **RESOLUTION NO 9**

1. Acting on the basis of article 17 of Statutes of the Company and art. 430 of the Commercial Companies Code THE GENERAL MEETING OF PROCHEM SA is deciding to change contents of Statutes of the company in the following way:

#### **§ 7 of the statutes reads as follows:**

- “ 1. The company's share capital amounts to PLN 3,895.000 (PLN three million eight hundred ninety five thousand) and is divided into 3,895,000 shares with the face value of PLN 1 (PLN one) each, including:
- a) 1,817,500 (one million eight hundred seventeen thousand five hundred) founding shares issued in the form of inscribed shares,
  - b) 682,500 (six hundred eighty two thousand five hundred) B class shares issued in the form of inscribed shares,
  - c) 530,000 (five hundred thirty thousand) C class bearer's shares,
  - d) 865,000 (eight hundred sixty five thousand) D class issued in the form of inscribed shares. “

#### **§ 11 of the statutes reads as follows:**

- “ The company's own shares may be purchased and redeemed under the voluntary procedure, on the terms and conditions stipulated in regulations of the Commercial Companies Code.”

#### **§ 13 paragraph 1 of the statutes reads as follows:**

- “1. The General Meeting shall be covered as ordinary or extraordinary meetings by the announcement on the company's website [www.prochem.com.pl](http://www.prochem.com.pl) and in the way determined for the transmission of current information according to provisions of the mandatory law applying to public companies.”

#### **§ 14 of the statutes reads as follows:**

- “1. The General Meeting shall be organised in the traditional way or at the utilization of electronic communication. The information about the way of the organization and the possibility of participating of shareholders in the General Meeting shall be conveyed in announcement about the General Meeting.
2. Only the persons being shareholders of the company for sixteen days before the date of the General Meeting (registration date of the participation in the General Meeting) shall have the right to participate in the General Meeting.
3. The company shall establish the list of persons entitled to participate in the General Meeting on the basis of:
  - list drawn up by the National Depository for Securities,
  - share book of PROCHEM S.A.

4. If the Commercial Companies Code does not provide otherwise, the General Meeting may pass resolutions irrespective of the number of attendees and the amount of share capital represented.
5. Each share shall give the right to one vote at the General Meeting, excluding preferred shares where each of those shares shall give the right to three votes.”

§ 15 paragraph 3 of the statutes reads as follows:

- “3. A shareholder or shareholders representing at least one twentieth of the share capital may demand that :
- an Extraordinary General Meeting be convened ,
  - specific items be included in the agenda of the session of the following General Meeting,
  - to file drafts of resolutions concerning the established agenda.”

§ 17 paragraph 1 of the statutes reads as follows:

- “1. The General Meeting shall pass resolutions in matters:
- 1) approving the reports of the company’s Management Board activity and the company’s and company’s Capital Group financial statements for the last year,
  - 2) the distribution of profits or coverage of losses for the past year,
  - 3) granting exoneration to the members of the company’s authorities,
  - 4) electing and recalling the Supervisory Board,
  - 5) changing the subject matter of the company’s enterprise operations,
  - 6) amending the company’s statutes,
  - 7) redeeming shares,
  - 8) issuing bonds,
  - 9) approving remuneration of the members of the Board specified in § 12 of the Bylaws of the Supervisory Board of PROCHEM S.A.
  - 10) approving the Bylaws of the General Meeting of PROCHEM S.A.
  - 11) other matters which were reserved according to effective laws and regulations to competence of the General Meeting. “

§ 19 paragraph 1 of the statutes reads as follows:

- “ 1. Supervisory Board shall comprise five persons. The members of the Supervisory Board shall be elected by the General Meeting.”

§ 21 paragraph 1 of the statutes reads as follows:

- “1. For validity of the Supervisory Board’s resolutions it shall be required to invite to the meeting all members of the Supervisory Board and at least three members present.“

§ 22 of the statutes reads as follows:

- “1. The Supervisory Board shall exercise constant governance of the company’s operation.
2. Special prerogatives of the Supervisory Board shall include:
- 1) auditing the report on the Management Board’s activity and the company’s financial statements and the Capital Group of PROCHEM S.A. financial statements,
  - 2) presenting the General Meeting with reports on activities mentioned under item 1,
  - 3) approving programmes and action plans for the company,

- 4) suspending in their duties or recalling, due to important reasons, the Company's Management Board or individual members thereof and delegating the Supervisory Board members to perform on a temporary basis the duties of the Management Board members if the Management Board members are unable to perform the said duties,
- 5) approving the organisational structure of the company's enterprise,
- 6) approving the principles of salary payment to the employees of the company's enterprise, and establishing principles and amounts of the remuneration of members of the Management Board,
- 7) granting consent to making donations by the company,
- 8) granting consent to setting up new enterprises by the company, establishing companies and joining the existing ones, and selling stocks and shares in other companies, and liquidating companies,
- 9) choosing the chartered accountant to audit the company's financial statements,
- 10) granting consent to purchasing and selling the company's real property,
- 11) approving the Bylaws of the Supervisory Board (exclusive of § 12 of these Bylaws),
- 12) reviewing motions of the Management Board in relation to conditions of the share repurchase for the purpose of redemption. "

**§ 26 section 2 of the statutes reads as follows:**

- "2. The Chairman of the company's Management Board shall be authorised to make statements on the company's behalf on a one-person basis. In the event of the other Management Board members and holders of commercial power of attorney, the joint action of:
- two Management Board members,
  - one Management Board member and the holder of commercial power of attorney,
  - two holders of commercial powers of attorney jointly shall be required to make statements on behalf of the company."

**§ 34 of the statutes reads as follows:**

- " The Company shall publish its announcement on the company's website: [www.prochem.com.pl](http://www.prochem.com.pl) and in other way according to provisions of the mandatory law applying to public companies. "

2. The resolution shall come into effect with the registration date of changes to the Statutes by the Registration Court .

**RESOLUTION NO 10**

1. The Statutes of PROCHEM S.A. included in the founding Notarial Act of June 14, 1991, Rep. A 5038/91, drawn up at the Notary Office No. 18 before the Notary Public Paweł Błaszczak, has been amended by Resolutions of the General Meeting of Shareholders and confirmed by means of notarial acts drawn up at the said Notary Office as shown in the list below:

Notarial Act of November 16, 1991 – rep. A No. 10701/91  
Notarial Act of April 17, 1993 – rep. A No.3342/93  
Notarial Act of November 13, 1993 – rep. A No. 11096/93  
Notarial Act of April 30, 1994 – rep. A No. 5982/94  
Notarial Act of May 12, 1995 – rep. A No. 6580/95  
Notarial Act of November 27, 1995 – rep. A No. 18445/95  
Notarial Act of May 18, 1996 – rep. A No. 8112/96  
Notarial Act of May 24, 1997 – rep. A No. 9836/97  
Notarial Act of December 14, 1998 – rep. A No. 24901/98  
Notarial Act of April 29, 2000 – rep. A No. 7553/2000  
Notarial Act of June 30, 2001 – rep. A No. 20541/2001  
Notarial Act of June 15, 2002 – rep. A No. 14732/2002  
and

Notarial Act of June 14, 2003 – rep. A No. 31/2003  
Notarial Act of June 19, 2004 – rep. A No. 2048/2004  
Notarial Act of June 25, 2005 – rep. A No. 2217/2005  
Notarial Act of June 24, 2006 – rep. A No. 3021/2006  
Notarial Act of June 2, 2007 – rep. A No. 2643/2007  
Notarial Act of June 21, 2008 – rep. A. No. 5041/2008  
Notarial Act of June 6, 2009 - rep. A No. 2353/2009

drawn up at the Notary Office of Marek Rudziński – Notary Public in Warsaw, at 44 C Powązkowska Str. And Notary Act drawn up from the General Meeting of Shareholders on June 12, 2010.

2. In accordance with the documents listed above, the General Meeting of Shareholders adopts a consolidated text of the Statutes of PROCHEM S.A.

## **STATUTES OF PROCHEM SA**

### **GENERAL PROVISIONS**

#### **§ 1**

The company's trade name is: PROCHEM Spółka Akcyjna [joint-stock company], and the company may use the abbreviated name – PROCHEM S.A.

#### **§ 2**

The registered office of the company is located in the capital city of Warsaw.

#### **§ 3**

The company pursues business in the territory of the Republic of Poland and abroad.

#### **§ 4**

The company may establish branches and sub-branches, set up partnerships or join the existing ones, and also participate in other business organisations in Poland or abroad.

#### **§ 5**

The company's duration is indefinite.

## II SUBJECT MATTER OF THE COMPANY'S BUSINESS

### § 6

Activities of the company cover service, production and commercial activities in the scope of:

| Item. | Symbol of Polish Business Classification | TYPE OF ACTIVITY  |
|-------|--|---|
| 1     | 41.10.Z                                  | Implementation of building projects connected with erecting of buildings  |
| 2     | 41.20.Z                                  | Construction works connected with erecting residential houses and non-residential houses                            |
| 3     | 42.11.Z                                  | Construction works connected with building of roads and motorways   |
| 4     | 42.12.Z                                  | Construction works connected with construction of railroads and underground railway                                 |
| 5     | 42.13.Z                                  | Construction works connected with construction of bridges and tunnels   |
| 6     | 42.21.Z                                  | Construction works connected with construction of transmission pipelines and distribution network                   |
| 7     | 42.22.Z                                  | Construction works connected with construction of telecommunication lines and power lines                           |
| 8     | 42.91.Z                                  | Construction works connected with construction of water engineering facilities                                      |
| 9     | 42.99.Z                                  | Works connected with construction of other water engineering and civil engineering objects not classified elsewhere |
| 10    | 43.11.Z                                  | Demolition and destruction of buildings   |
| 11    | 43.12.Z                                  | Preparatory works at site   |
| 12    | 43.13.Z                                  | Geological & engineering excavations and drillings  |
| 13    | 43.21.Z                                  | Execution in respect to wiring systems  |
| 14    | 43.22.Z                                  | Execution in respect to water supply and sewerage systems, heating system, gas piping systems and air conditioning  |
| 15    | 43.29.Z                                  | Execution in respect to other civil engineering system  |
| 16    | 43.31.Z                                  | Plaster works   |
| 17    | 43.32.Z                                  | Installation in respect to woodwork   |
| 18    | 43.33.Z                                  | Execution in respect to floors, wallpapers and wall facing  |
| 19    | 43.34.Z                                  | Painting and glazing  |
| 20    | 43.39.Z                                  | Execution in respect to other finishing works   |
| 21    | 43.91.Z                                  | Construction of roof structures and roofing   |
| 22    | 43.99.Z                                  | Other special construction works not classified elsewhere   |
| 23    | 33.20.Z                                  | Installing industrial machines, equipment and furniture   |
| 24    | 37.00.Z                                  | Sewage disposal and treatment   |
| 25    | 38.11.Z                                  | Collection of non-hazardous wastes  |
| 26    | 38.31.Z                                  | Disassembly of products worn out  |
| 27    | 38.32.Z                                  | Recycling of raw materials of materials sorted  |
| 28    | 39.00.Z                                  | Activity associated with the rehabilitation and other service activity associated with the waste disposal           |
| 29    | 46.13.Z                                  | Activity of agents in respect to sale of wood and building materials  |
| 30    | 46.14.Z                                  | Activity of agents in respect to sale of machines, the industry equipment, ships and airplanes                      |
| 31    | 46.18.Z                                  | Activity of agents in respect of sale of remaining specified goods  |
| 32    | 46.19.Z                                  | Activity of agents dealing with the sale of the goods of different kind   |
| 33    | 47.99.Z                                  | Remained retail sales conducted apart from the shop network, stalls and marketplaces                                |
| 34    | 55.20.Z                                  | Lodging-houses and places of the short-term accommodation   |
| 35    | 58.14.Z                                  | Publishing of magazines and remaining periodicals   |
| 36    | 59.19.Z                                  | Remaining publishing activity   |



|    |         |  |
|----|---------|--|
| 37 | 62.01.Z | Activity associated with the software  |
| 38 | 62.02.Z | Activity connected with the consulting in the computer science   |
| 39 | 62.03.Z | Activity associated with managing computer devices   |
| 40 | 62.09.Z | Remaining service activity in the scope of computer technologies   |
| 41 | 64.20.Z | Operations of financial holding companies  |
| 42 | 64.92.Z | Other forms of granting credit   |
| 43 | 64.99.Z | Remained financial activity service, somewhere else not-classified, with the exception of insurance and pension funds  |
| 44 | 66.19.Z | Remained activity supporting financial services with the exception of insurance and pension funds                      |
| 45 | 68.10.Z | The purchase and the sales of real estate on one's own account   |
| 46 | 68.20.Z | The lease and the property management own or leased  |
| 47 | 68.31.Z | Estate agency activity   |
| 48 | 68.32.Z | Property management made on request  |
| 49 | 69.20.Z | Activity in the scope of accounting and bookkeeping; with the exception of the tax consulting                          |
| 50 | 70.10.Z | Operations of central companies (headoffices) and holding companies, with the exception of financial holding companies |
| 51 | 70.22.Z | Other consulting concerning business activity and management   |
| 52 | 71.11.Z | Activity within the scope of architecture  |
| 53 | 71.12.Z | Activity within the scope of engineering and technical consulting associated   |
| 54 | 71.20.B | Other examinations and technical analyses  |
| 55 | 74.10.Z | Activity within the scope of the specialist design   |
| 56 | 74.90.Z | Remaining professional activity, and scientific and technical activity, somewhere else not-classified                  |
| 57 | 77.32.Z | The hiring out and the lease of machines and building devices  |
| 58 | 77.33.Z | The hiring out and the lease of office furniture and equipment (including computers)                                   |
| 59 | 77.39.Z | The hiring out and leasing of other machines and equipment and tangible property somewhere else not-classified         |
| 60 | 77.40.Z | Lease of the intellectual property and similar products, with the exception of copyrighted works                       |
| 61 | 78.30.Z | Activity remained associated with making employees available   |
| 62 | 81.10.Z | Auxiliary activities associated with keeping buildings in order  |
| 63 | 81.21.Z | Non-specialist cleaning buildings and works  |
| 64 | 81.22.Z | Specialist cleaning buildings and objects  |
| 65 | 81.29.Z | Other cleaning   |
| 66 | 81.30.Z | Service activity associated with the development of greens   |
| 67 | 82.11Z  | Service activity associated with the administrative service of the bureau  |
| 68 | 82.19.Z | Making the photocopy, preparing documents and other specialist activity assisting running the office                   |
| 69 | 82.99.Z | Other activity supporting the conducting business activities, somewhere else not-classified                            |
| 70 | 86.90.E | Remaining activity in the health care, somewhere else not-classified remained  |
| 71 | 18.13.Z | Service activity associated with the making ready for the press  |
| 72 | 18.14.Z | The bookbinding and similar services   |

### III. SHARE CAPITAL

#### §7

1. The company's share capital amounts to PLN 3,900.000 (PLN three million nine hundred thousand) and is divided into 3,900,000 shares of the face value PLN 1 (PLN one) each, including:
  - a) 1,817,500 (one million eight hundred seventeen thousand five hundred) founding shares issued in the form of inscribed shares,



- b) 682,500 (six hundred eighty two thousand five hundred) B class shares issued in the form of inscribed shares,
- c) 530,000 (five hundred thirty thousand) C class bearer's shares,
- d) 865,000 (eight hundred sixty five thousand) D class issued in the form of inscribed shares.

#### §8

1. The inscribed founding shares and the inscribed B class shares, taken up by the company's employees, represent preferred shares in the manner and on the terms and conditions mentioned under §9.
2. The company's shares of all issues have been deposited with the National Depository for Securities [Krajowy Depozyt Papierów Wartościowych S.A.]

#### §9

1. The preference granted to shares means that each of those shares represent three votes.
2. The preferred share shall lose the preferential nature:
  - in the event of exchanging this share into a bearer's share,
  - upon terminating the employment contract between the shareholder (holder of founding shares or B class shares) and the company,
  - in the event of selling the preferred share to a person not being the company's employee,
  - if the title to the preferred share has been inherited by another person not being the company's employee.
3. A share that has lost its preferential nature may not get back the preferential nature mentioned under paragraph 1.

#### § 10

1. At the shareholder's request the inscribed shares shall be converted into bearer's shares.
2. The company shall convert the inscribed shares into bearer's shares twice a year and fulfil the shareholders' requests that were submitted to the company by the brokerage offices until 10 January and until 10 July of a given calendar year.
3. The shares proposed for conversion shall be converted and assimilated at times set out by the National Depository for Securities and the Warsaw Stock Exchange in February and August of a given calendar year.

#### § 11

The company's own shares may be purchased and redeemed under the voluntary procedure, on the terms and conditions stipulated in regulations of the Commercial Companies Code."

### IV. THE COMPANY'S AUTHORITIES

#### § 12

The company's authorities shall comprise:

- 1) the General Meeting,
- 2) the Supervisory Board,
- 3) the Company's Management Board.

## 1. THE GENERAL MEETING

### § 13

1. The General Meeting shall be convened as ordinary or extraordinary meetings by the announcement on the company's website [www.prochem.com.pl](http://www.prochem.com.pl) and in the way determined for the transmission of current information according to provisions of the mandatory law applying to public companies.
2. The General Meeting shall be convened by the Management Board on dates specified under the Commercial Companies Code.
3. Other authorities or persons, indicated in the absolutely binding regulations of the Commercial Companies Code and in cases indicated in the aforesaid regulations shall also have the right to convene the General Meeting.

### § 14

1. The General Meeting shall be organised in the traditional way or at the utilization of electronic communication. The information about the way of the organization and the possibility of participating of shareholders in the General Meeting shall be conveyed in announcement about the General Meeting.
2. Only the persons being shareholders of the company for sixteen days before the date of the General Meeting (registration date of the participation in the General Meeting) shall have the right to participate in the General Meeting.
3. The company shall establish the list of persons entitled to participate in the General Meeting on the basis of:
  - list drawn up by the National Depository for Securities,
  - share book of PROCHEM S.A.
4. If the Commercial Companies Code does not provide otherwise, the General Meeting may pass resolutions irrespective of the number of attendees and the amount of share capital represented.
5. Each share shall give the right to one vote at the General Meeting, excluding preferred shares where each of those shares shall give the right to three votes.

### § 15

1. The General Meeting may pass resolutions only regarding the matters covered by the session's agenda.
2. The agenda of the General Meeting shall be determined by the Management Board.
3. A shareholder or shareholders representing at least one twentieth of the share capital may demand that :
  - an Extraordinary General Meeting be convened ,
  - specific items be included in the agenda of the session of the following General Meeting,
  - to file drafts of resolutions concerning the established agenda."

### § 16

The General Meeting shall be opened by the Chairman of the Supervisory Board or a Supervisory Board member indicated by him/her, and after that the General Meeting shall elect, out of the persons eligible to participate in the General Meeting, the chairman to take over the chairing of the session.

### § 17

1. The General Meeting shall pass resolutions in matters:

- 1) approving the reports of the company's Management Board activity and the company's and company's Capital Group financial statements for the last year,
- 2) the distribution of profits or coverage of losses for the past year,
- 3) granting exoneration to the members of the company's authorities,
- 4) electing and recalling the Supervisory Board,
- 5) changing the subject matter of the company's enterprise operations,
- 6) amending the company's statutes,
- 7) redeeming shares,
- 8) issuing bonds,
- 9) approving remuneration of the members of the Board specified in § 12 of the Bylaws of the Supervisory Board of PROCHEM S.A
- 10) approving the Bylaw of the General Meeting of PROCHEM S.A.
- 11) other matters which were reserved according to effective laws and regulations to competence of the General Meeting.

#### § 18

The voting at the General Meeting shall be open. Secret voting shall be ordered when voting on the proposals to recall the members of the company's authorities or liquidators, on bringing them to justice and on personnel-related matters. Apart from that, secret voting should be ordered at the request of at least one of the shareholders present or represented at the General Meeting.

## 2. SUPERVISORY BOARD

#### § 19

1. Supervisory Board shall comprise five persons. The members of the Supervisory Board shall be elected by the General Meeting.
2. The joint term of office of the Supervisory Board members shall last three years.
3. The members of the Supervisory Board shall elect one of their members the Chairman of the Supervisory Board and the Vice-Chairman and Secretary, if necessary.

#### § 20

1. The Supervisory Board shall hold meetings at least 5 times a year.
2. The Supervisory Board's meetings shall be convened and chaired by the Chairperson of the Supervisory Board. During the absence of the Chairperson of the Supervisory Board the meeting shall be chaired by the Vice-Chairperson, if elected, or one of the members elected by the Supervisory Board.
3. Chairman of the Supervisory Board is obliged to convene the meeting of the Supervisory Board upon written request of the Management Board or **one member of the Supervisory Board**. In such a case Chairman of the Supervisory Board is obliged to order convening the meeting not later than in the sequence of two weeks counting from the application filing date".

#### § 21

1. For validity of the Supervisory Board's resolutions it shall be required to invite to the meeting all members of the Supervisory Board and at least three members present.

2. The Supervisory Board shall pass resolutions by absolute majority of votes of the members present. In the event of tie on vote, the meeting's chairman's vote shall be decisive.
3. The Supervisory Board shall be allowed to pass resolutions by means of written voting.
4. The Supervisory Board shall operate on the basis of the bylaw passed by the General Meeting, specifying the mode and manner of exercising the prerogatives thereof.

#### § 22

1. The Supervisory Board shall exercise constant governance of the company's operation.
2. Special prerogatives of the Supervisory Board shall include:
  - 1) auditing the report on the Management Board's activity and the company's financial statements and the Capital Group of PROCHEM S.A. financial statements,
  - 2) presenting the General Meeting with reports on activities mentioned under item 1,
  - 3) approving programmes and action plans for the company,
  - 4) suspending in their duties or recalling, due to important reasons, the Company's Management Board or individual members thereof and delegating the Supervisory Board members to perform on a temporary basis the duties of the Management Board members if the Management Board members are unable to perform the said duties,
  - 5) approving the organisational structure of the company's enterprise,
  - 6) approving the principles of salary payment to the employees of the company's enterprise, and establishing principles and amounts of the remuneration of members of the Management Board,
  - 7) granting consent to making donations by the company,
  - 8) granting consent to setting up new enterprises by the company, establishing companies and joining the existing ones, and selling stocks and shares in other companies, and liquidating companies,
  - 9) choosing the chartered accountant to audit the company's financial statements,
  - 10) granting consent to purchasing and selling the company's real property,
  - 11) approving the Bylaws of the Supervisory Board (exclusive of § 12 of these Bylaws),
  - 12) reviewing motions of the Management Board in relation to conditions of the share repurchase for the purpose of redemption.

#### § 23

The Supervisory Board may delegate its members to perform on an individual basis some governance activities.

#### § 24

1. The members of the Supervisory Board shall exercise their rights and duties in person.
2. The members of the Supervisory Board shall receive remuneration in the amount and on the terms and conditions specified in the Bylaw of the Supervisory Board of PROCHEM S.A.
3. The remuneration of the Supervisory Board member delegated to perform activities

shall be determined by the Supervisory Board.

### 3. THE COMPANY'S MANAGEMENT BOARD

#### § 25

1. The company Management Board consists around one to three members. For the period of the shared term of office lasting three years the Supervisory Board is appointing the Chairman and remaining members of the Management Board. If necessary a Vice-Chairman of the Management Board or Vice-Chairmen of the Management Board are being appointed.”
2. The Supervisory Board may recall the entire Management Board or individual members thereof due to important reasons.

#### § 26

1. The Management Board shall handle the company's affairs and represent the company.
2. The Chairman of the company's Management Board shall be authorised to make statements on the company's behalf on a one-person basis. In the event of the other Management Board members and holders of commercial power of attorney, the joint action of:
  - two Management Board members,
  - one Management Board member and the holder of commercial power of attorney,
  - two holders of commercial powers of attorney jointly shall be required to make statements on behalf of the company.

#### § 27

Agreements and other legal activities on the company's behalf shall be signed or performed with the Management Board members by the Supervisory Board on the basis of resolutions passed. Agreements and other documents shall be signed on behalf of the Supervisory Board by the Chairman or another authorised member of the Supervisory Board.

### V. THE COMPANY'S BUSINESS

#### § 28

The organisation of the company's enterprise shall be determined by the organisational bylaw set forth by the Management Board and approved by the Supervisory Board.

#### § 29

1. The company shall keep the books of account in accordance with applicable regulations.
2. Stand-alone financial statements have been drafted by the company in accordance with the International Accounting Standards (IAS) since the trading year 2006.
3. The trading year of the company shall be the calendar year.

### § 30

1. The company shall establish the following capitals and funds:
  - 1) share capital,
  - 2) spare capital,
  - 3) reserve capital,
  - 4) fringe benefit fund,
  - 5) special-purpose funds.
2. The spare capital shall be established from the net annual profit contributions and the variation between the issue and face value of shares.
3. The reserve capital shall be established from net profit contributions and shall be designed to cover individual losses or expenses specified by the General Meeting Shareholders.
4. The fringe benefit fund shall be established from the cost charges and from net annual profit contributions and shall be designated for housing aid for employees of the company's enterprise and fringe benefits for employees and old-age and disability pensioners.
5. Special-purpose funds shall be established from net profit contributions for purposes set forth in the resolutions passed by the General Meeting of Shareholders.
6. The contribution to spare capital shall represent 8% of the net annual profit until the capital has reached at least 1/3 of the share capital.

### § 31

If the company's balance sheet shows a loss higher than the sum of the supplementary capital and the reserve capital and one third of the initial capital, then the Management Board shall be obliged to immediately convene the General Meeting with the aim of passing resolution on the future existence of the company.

### § 32

The company's net profit may be designed for:

- 1) dividend for shareholders,
- 2) contributions to spare capital,
- 3) contributions to reserve capitals and funds established by the company,
- 4) redemption of the company's treasury shares,
- 5) other purposes specified in the resolution of the company's relevant authority.

## VI. THE COMPANY'S DISSOLUTION AND LIQUIDATION

### § 33

1. The company shall be liquidated as a result of resolution of the General Meeting on dissolving the company or due to other reasons provided for by the law.
2. The company shall be dissolved after completing the liquidation.
3. The specific principles of the company's liquidation shall be set forth by the Commercial Companies Code.

## VII. FINAL PROVISIONS

### § 34

The Company shall publish its announcement on the company's website:



[www.prochem.com.pl](http://www.prochem.com.pl) and in other way according to provisions of the mandatory law applying to public companies. “

### § 35

To issues not regulated herein the Commercial Companies Code shall apply.

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2. The resolution shall come into effect with the registration date of changes to the Statutes by the Registration Court .

#### **RESOLUTION No 11**

1. Acting on the basis of article 17 of Statutes of the Company, the GENERAL MEETING OF SHAREHOLDERS is adopting new BYLAWS OF THE SUPERVISORY BOARD in accordance with Enclosure No 1 to this Resolution.
2. The resolution shall come into effect with the registration date of changes to the Statutes by the Registration Court .

#### **RESOLUTION No 12**

1. Acting on the basis of article 17 of Statutes of the Company, the General Meeting of Shareholders is approving the consolidated financial statement of PROCHEM SA Capital Group for 2009 including:
  - 1) Consolidated statement of the financial position as at 31 December 2009 with total assets and liabilities plus equity in the amount of PLN **189,735** thousand (say: one hundred eighty nine million seven hundred thirty five thousand Zloty)
  - 2) Consolidated profit and loss account from 1 January 2009 to 31 December 2009 disclosing a net profit in the amount of PLN **2,447** thousand (say: two million four hundred forty seven thousand Zloty),
  - 3) consolidated statement of total revenues for the period from 1 January 2009 to 31 December 2009 disclosing total revenues in the amount of PLN **2,447** thousand (say: two million four hundred forty seven thousand Zloty)
  - 4) consolidated cash flow statement for the accounting year from 1 January 2009 to 31 December 2009 showing a cash decrease in the amount of PLN **12,648** thousand (say: twelve million six hundred forty eight thousand Zloty)
  - 5) consolidated statement of changes in consolidated capital disclosing an increase by the amount of **1,073** thousand (say: one million seventy three thousand Zloty)
  - 6) additional information on on the adopted accounting standards (policies) and explanations.
2. The resolution shall come into effect upon its adoption.

#### **RESOLUTION NO 13**

1. Acting on the basis of Article 17 of Statutes of the Company, THE GENERAL MEETING OF PROCHEM S.A, is making the correction of the arthmetical mistake in the Resolution No 5 of the General Meeting of June 6<sup>th</sup> 2009 changing contents of

the resolution in section 1 in relation to the reserve capital where record "reserve capital PLN 1,413,974.48 is being replaced with the record: "reserve capital – PLN 1,384,004.48".

2. The resolution shall come into effect upon its adoption.

Enclosure No 1 to the Resolution No 1  
of the XXVIII General Meeting of Shareholders on 12.6.2010

### **BYLAW OF THE GENERAL MEETING OF PROCHEM S.A.**

1. This Bylaw shall determine the mode of convening, the organisation and the course of General Meetings of PROCHEM S.A.
2. Whenever there is a mention in this bylaw about:
  - a) Company – it is understood that it means PROCHEM S.A.,
  - b) General Meeting or Meeting – it is understood that it means General Meeting of PROCHEM S.A.,
  - c) Management Board – it is understood that it means the Management Board of PROCHEM S.A.,
  - d) Supervisory Board – it is understood that it means the Supervisory Board of PROCHEM S.A.,
  - e) Shareholder – it is understood that it means a person entitled to participate in the general meeting under effective laws and regulations,
  - f) General Meeting participant – it is understood that it means shareholder participating in General Meeting or shareholder's representative entitled to the participation in the General Meeting,
  - g) Committee – it is understood that it means Returning Committee,
  - h) Statutes – it is understood that it means Statutes of PROCHEM S.A. ,
  - i) Bylaw – it is understood that it means this Bylaw,
  - j) Commercial Companies Code – it is understood that it means act from the day 15.09.2000 Commercial Companies Code (Journal of Laws from the year 2000 No. 94, item. 1037 with further amendments).

#### § 1

### **GENERAL PROVISIONS**

1. The General Meeting shall be convened in ordinary or extraordinary mode.
2. General meetings shall be held according to the regulations of Commercial Companies Code, Statutes and with provisions of this bylaw, upon consideration of other generally applicable provisions of the law.
3. The Company Management Board may make a decision about broadcasting the general meeting by means of internet networks. If this is the case technical information concerning public transmission of the debate, in the form of the instruction, shall be put on the company's website before the General Meeting.

4. The electronic correspondence concerning the General Meeting should be directed to the address: [wza@prochem.com.pl](mailto:wza@prochem.com.pl)
5. All risk associated with using the electronic form of the communication in matters of the General Meeting shall be on the side of the shareholder.

## §2

### PARTICIPANTS OF THE GENERAL MEETING

1. Only the persons being shareholders of the company for sixteen days before the date of the General Meeting (registration date of the participation in the General Meeting) shall have the right to participate in the General Meeting.
2. The registration date of the participation in the General Meeting shall be uniform for persons authorized from bearer's shares and inscribed shares.
3. The persons authorized from inscribed shares and temporary certificates as well as pledgees and users with the right to vote, shall have the right to participate in the General Meeting if they are entered to the Book of shareholders of PROCHEM S.A. at the registration date of the participation in the General Meeting.
4. The persons authorized from dematerialized bearer's shares shall have right to participate in the General Meeting in case of reporting to the entity conducting the deposit of securities not earlier than after announcing about convening the General Meeting and not later than in the first working day after the registration date of the participation in the General Meeting in order to obtain personal certificate giving the right to participate in the General Meeting.
5. The company's Management Board shall establish the list of persons authorized from bearer's shares and inscribed shares on the basis of entries into the Share Book of PROCHEM S.A. and list drawn up by the entity conducting the deposit of securities in compliance with generally applicable regulations.
6. The list of shareholders having the right to participate in the General Meeting shall be available to the shareholders at the company's registered office for three working days before General Meeting.
7. Members of the Management Board and Supervisory Board should participate in the General Meeting.
8. Chartered Auditor shall be invited to the General Meeting if the financial company's affairs are an object of his debate.
9. The Management Board may invite other persons of which the participation in the General Meeting in the evaluation of the Management Board is justified

## § 3

### FORM OF THE PARTICIPATION

1. The Shareholder may participate in the General Meeting and exercise the right to vote personally or by attorney.
2. The granted power of attorney in the electronic form enabling participation in the company's General Meeting and exercise of right to vote shall require written or electronic form. The authorization in the electronic form shall not require providing with an safe electronic signature verified with the help of the valid classified certificate.
3. The power of attorney granted in electronic form should assure identification of the shareholder and attorney. The attorney of the shareholder which is not a natural

person should moreover hold the current excerpt from the register of entrepreneurs of the company which he is representing. The Company may ask the shareholder to confirm the authorization.

4. Power of attorney granted in the electronic form should be sent to the address e-mail: [wza@prochem.com.pl](mailto:wza@prochem.com.pl). at the latest up to 9 hour of the working day, preceding beginning the General Meeting.
5. Electronic power of attorney should be formulated in the separate document signed by the shareholder or the person entitled to the representation of the shareholder, sent as the attachment in the PDF format to the e-mail address: [wza@prochem.com.pl](mailto:wza@prochem.com.pl) . Compulsorily the documents confirming authorizing the given shareholder to the participation in the General Meeting should be sent along with electronic power of attorney. The attorney shall be obliged to produce power of attorney in question when is appearing on the General Meeting
6. The attorney shall exercise all entitlements of the shareholder on the General Meeting, unless something else results from the contents of power of attorney.
7. The attorney may represent more than one shareholder and vote differently from the actions of the every shareholder.
8. The shareholder may not personally or by attorney vote at adopting resolutions concerning his liabilities towards the company on whatever account, in it of granting the discharge, the dismissal from the obligation to the company and the dispute between him and the company. The shareholder of the company may vote as the attorney at adopting resolutions concerning him.
9. On the condition that the company shall allow for the possibility of the participation of the shareholder using means of electronic communication and determine organisational and technical requirements, essential to take advantage of the above possibility by shareholders and make public information to this topic on the website before the day of the General Meeting, shareholders shall attend the General Meeting at the utilization of means of the electronic communication, what includes in particular:
  - broadcast of the general meeting in the real time,
  - bilateral communication in the real time, in frames of which shareholders may give their opinion in the course of the general meeting,
  - exercising the right to vote personally or by attorney in the course of the general meeting.

#### § 4

#### DRAWING UP OF THE LIST OF THE SHAREHOLDERS ENTITLED TO THE PARTICIPATION IN THE GENERAL MEETING

1. Preparations for drawing up the list of the shareholders entitled to the participation in the General Meeting shall be held in a place of the registration of the shareholders.
2. Every shareholder included in the list entitled to the participation in the General Meeting, at the moment of arriving at the General Meeting shall be reporting his/her presence in the place for registration of shareholders.
3. At drawing the list of participants of the General Meeting up one by one following action shall be made:
  - a) verification of the shareholder's identity or attorney's identity (if the shareholder is represented by attorney it should be marked in the list of attendees),

- b) determining the number of shares and voices it being entitled to a given participant,
  - c) getting the signature of the participant on the list of attendees,
  - d) distribution to the entitled of vote cards, instruction and other materials for the debate,
  - e) marking on the list of persons entitled to the participation in the General Meeting those who didn't report their presence,
  - f) counting up the number of shares and voices participating in the General Meeting.
4. In case of organising the General Meeting in the way enabling the participation of shareholders at the utilization of means of the electronic communication, also shareholders participating under this procedure are being taken into account on the list of participants of the General Meeting .

## § 5

### OPENING THE GENERAL MEETING AND THE ELECTION OF THE CHAIRMAN OF THE GENERAL MEETING

1. A Chairman of the PROCHEM S.A. Supervisory Board or other Supervisory Board member appointed by the Chairman shall open the General Meeting. Person opening the General Meeting shall order the election of the Chairman of the General Meeting immediately out of the persons entitled to the participation in the General Meeting.
2. The election of the Chairman of the General Meeting shall be held by an absolute majority of votes cast in a secret ballot.
3. The candidate for the Chairman of the General Meeting shall be filing the declaration to the protocol that he is giving consent to running.
4. Immediately after the appointment of the Chairman of the General Meeting the list of attendees should be drawn up containing the list of participants of the General Meeting specifying the number of shares which each of them is representing and number of votes it being entitled to them, signed by the Chairman and next laid out during the General Meeting.
5. The Chairman of the General Meeting shall chair its debate and shall be authorised to interpret this bylaw. The Chairman shall guarantee the efficient course of the debate and that the laws and interests of all shareholders be respected among others through:
  - giving the floor,
  - receiving motions and drafts of resolutions,
  - bringing them for discussion,
  - ordering and conducting voting.

The Chairman of the General Meeting should in particular counteract the abuse of authority by participants of the General Meeting and guarantee respecting rights of minority shareholders.

## § 6

### ELECTION OF A RETURNING COMMITTEE OR THE SECRETARY'S OFFICE

1. After drawing up and signing the attendance list the Chairman of the General Meeting shall confirm the correctness of convening a General Meeting and the ability of this Meeting for the passing resolutions and shall put forward proposal for election of:
  - Returning Committee in the case of planned voting on vote cards,
  - secretary's office of the general meeting in case of voting with electronic devices.
2. The Returning Committee shall be composed of two members elected out of the attendees in the Meeting.
3. The Secretariat shall be composed of independent consultants employed by the company's Management Board for the service of the General Meeting.
4. The Returning Committee or the Secretariat of the General Meeting shall cooperate with the Chairman of the General Meeting and persons performing the operation of electronic devices with a view to providing with the correct course of votings.

## § 7

### THE AGENDA

1. The announced agenda shall be accepted, if nobody from attendees submits the motion for its change.
2. The Chairman shall not have the right to remove or to change order of matters placed in the agenda without consent of the Meeting.
3. Putting new matters on the agenda shall not be possible, unless the entire share capital is being represented and nobody from attendees makes an objection. However the application for convening the Extraordinary General Meeting and proposals of a housekeeping nature may be passed, even though they weren't put on the agenda.
4. Votings on proposals of the housekeeping nature shall concern only issues associated with chairing the debate of the Meeting. Resolutions which may influence exercising by shareholders their laws shall not be put to the vote under this procedure.

## § 8

### COURSE OF THE GENERAL MEETING

1. After presenting every next matter placed in the agenda the Chairman of the General Meeting shall open discussion, giving the floor in sequence of application. Discussion on a few items of the agenda shall be conducted jointly upon the consent of the General Meeting.
2. The Chairman of the General Meeting may give the floor to members of the Management Board and Supervisory Board as well as invited experts apart from the order.
3. It shall be possible to take the voice only in matters included in the accepted agenda and currently considered.



4. The shareholder has the right to put forward the proposal for changes and supplements to drafts of resolutions, covered by the agenda of the General Meeting - to the closing time of discussion on the item on the agenda including the draft of a resolution which such a proposal concerns.
5. These proposals with brief grounds should be put forward in writing - individually for every draft of a resolution - with giving the full name or the company names of the shareholder, on the hand of the Chairman of the General Meeting.
6. In formal matters the chairman shall be giving the floor apart from the order. The conclusion in the formal matter may be reported by every shareholder. Conclusions in formal matters are regarded as applications as for the way of debating and voting. The formal matters shall be settled by the Chairman.
7. In case of the lack willing to speak in the matter of the given item on the agenda the Chairman shall close discussion and state depleting this point of the debate.
8. The General Meeting may order breaks in the debate with two third majority of votes. Breaks shouldn't last longer than 30 days jointly.
9. The Chairman shall settle the formal matters and may order short breaks not constituting postponing the debate. Breaks shouldn't be aimed at making it difficult for shareholders to exercise their rights.
10. The Chairman may introduce housekeeping issues up to the debate so as allowing persons not being shareholders to the room for the debate, submitting an application for the change of order of considering the cases predicted in the agenda.
11. Upon having exhausted all the items of agenda the Chairman shall close the Meeting.
12. Questions of shareholders concerning issues on the agenda asked before and in the course of the General Meeting with replies shall be put on the company's website.

## § 9

### VOTING

1. Shareholders shall have votes from the shares held:
  - a) bearer's shares (1 share corresponds to 1 vote),
  - b) common inscribed shares (1 share corresponds to 1 vote),
  - c) preference inscribed shares (1 share corresponds to 3 votes).
2. The voting shall be open or secret.
3. The secret ballot shall be ordered at elections and motions concerning the dismissal of members of the company's governing bodies or liquidators, for burden them with the responsibility, as well as in personal matters. Also, secret ballot shall be held at the request of any shareholder present or represented at the General Meeting.
4. Resolutions of the General Meeting shall be made by absolute majority vote, if Statutes and Commercial Companies Code aren't providing otherwise.
5. We are dealing with the absolute majority of votes when passing a resolution votes constitute more than the half of cast votes. Invalid votes shall not be considered.
6. The shareholders raising an objection against the resolution to Minutes of the General Meeting shall be given by the Chairman of the Meeting the possibility of concise justifying the filed objection. Raising an objection the shareholder should declare that he voted against the resolution.

7. The open voting shall be carried out by raising the hand with the card with the quantity of shares remaining at the Shareholder's disposal.
8. The voting can be conducted by using electronic devices or in the traditional way.
9. With the application of voting in the traditional way, in order to comply with the principle of secret vote, the cards for voting shall be issued in denominations giving the quantity of shares as below:  
**250,000, 100,000, 25,000, 10,000, 5,000, 1,000, 400, 100, 10, 1.**
10. In every system of the voting, this system should guarantee polling behind the conclusion, against the application and of voices refraining, cast by persons participating in the General Meeting. At the secret ballot this system should guarantee preventing from the identification of the way of voting by individual shareholders
11. The company shall not provide for the possibility of voting by mail.

## § 10

### ELECTION OF THE SUPERVISORY BOARD

1. Statutes of the company shall determine the number of members of the Supervisory Board.
2. Supervisory Board members shall be appointed by an absolute majority of votes in the secret ballot out of the unrestricted number of candidates. Separate voting for every candidate shall be carried out.
3. Candidatures to the members of the Supervisory Board shall be proposed in writing, on a form, that constitutes Enclosure No 1 to the bylaw. The shareholder proposing candidature should be justified in the way enabling making a conscious choice. The Supervisory Board member should have the adequate education, the professional experience and the life experience, represent the moral high and to be able to devote the essential amount of the time, letting him in the appropriate way carry one's functions out in the Supervisory Board.
4. Before proceeding to voting on appointing the reported candidate for the Supervisory Board member the Chairman of the Meeting shall check whether they gave consent to run what can take place in the form of the written statement or the oral declaration, provided the candidate is taking the participation in the General Meeting .
5. The Chairman of the Meeting is drawing up the list of reported candidates for Board Members.
6. The list of candidates to the Supervisory Board may be closed, if the number of candidates is at least equal to the number of sites for filling in the Supervisory Board.
7. The members of the Supervisory Board shall be elected by marking with an "X" the selected names, in the appropriate field, on the card for secret vote in the secret ballot. Vote cast to the bigger number of candidates than number of sites mandated shall be null and void.
8. Members of the Board shall become these candidates who received the biggest number of votes, not lower however than the absolute majority.

§ 11

**MINUTES OF THE GENERAL MEETING**

1. Resolutions and the course of the General Meeting shall be minuted by the notary.
2. In the Minutes a correctness of convening a General Meeting and his ability to adopt resolutions should be stated as well as adopted resolutions are being mentioned.
3. Chairman of the Meeting and a notary shall sign Minutes of the General Meeting.
4. The certified excerpt from the Minutes with evidence of covering a General Meeting and powers of attorney granted by the shareholders are attached by Board to the Minute Book.
5. The Minute Book of General Meetings shall be stored in the Department of Organization of the Company. Every shareholder may look through the Minute Book.

§ 12

**AMENDMENTS TO THE BYLAW**

The amendment to this bylaw shall require the resolution of the General Meeting.

This bylaw shall become effective as of the date of passing thereof.

§ 13

**FINAL PROVISIONS**

Principles set out in this bylaw shall be in effect, if they are not in contrary to the stipulations of Commercial Companies Code and Statutes of the Company.

**Enclosure No 1  
to the Bylaw of the General Meeting of PROCHEM SA**

**CHAIRMAN OF THE GENERAL MEETING OF SHAREHOLDERS OF PROCHEM SA**  
**as of .....**

I hereby propose candidature of :

.....

for Supervisory Board of PROCHEM S.A.

Reasons for this proposal:

Short CV of the candidate in case of a new persons proposed to the Supervisory Board:

.....  
legible signature

**THE BYLAW OF THE SUPERVISORY BOARD OF PROCHEM S.A. , JOINT-STOCK  
COMPANY**

§ 1

The Supervisory Board of PROCHEM S.A., Joint-stock Company, hereinafter referred to as the Supervisory Board, shall operate under the Statute of PROCHEM S.A. and the Commercial Companies Code.

§ 2

1. The Supervisory Board shall be composed of five persons.  
The Supervisory Board members shall be elected by the General Meeting.
2. Term of office of the Supervisory Board shall last three years.
3. The Supervisory Board members should not resign from their functions during the term if that could render it impossible for the Board to operate or render it impossible to pass an important resolution.
4. At the first meeting, the Supervisory Board shall elect for the term's duration the Chairman of the Supervisory Board, and if necessary the Board Vice-Chairman and the Secretary. The Board Chairman and the Vice-Chairman may be at any time recalled by the Supervisory Board.

§ 3

- 1) The Supervisory Board shall be obliged to exercise continuous supervision over the company's business and the Board members, when performing their functions, should be primarily driven by the company's interest.
2. The responsibilities of the Supervisory Board shall include in particular:
  - 1) auditing the report on the Company's Management Board's activity and company's financial statements,
  - 2) presenting the General Meeting with reports on activities mentioned under item 1,
  - 3) approving programmes and action plans for the company,
  - 4) suspending in their duties or recalling, due to important reasons, the Company's Management Board or individual members thereof and delegating the Supervisory Board members to perform on a temporary basis the duties of the Management Board members if the Management Board members are unable to perform the said duties,
  - 5) approving the organisational structure of the company's enterprise,
  - 6) approving the principles of salary payment to the employees of the company's enterprise,,
  - 7) granting consent to making donations by the company,
  - 8) granting consent to setting up new enterprises by the company, establishing companies and joining the existing ones and selling stocks and shares in other companies, and liquidating companies,
  - 9) choosing the chartered accountant to audit the company's financial statements,
  - 10) giving consent to purchase and selling of the real estate of the company,
  - 11) reviewing motions of the Management Board in relation to conditions of the share repurchase for the purpose of redemption,

- 12) performing duties of the committee of the audit in the company,
- 13) approving Bylaw of the Supervisory Board of PROCHEM S.A. (exclusive of § 12 of these Bylaws).

#### § 4

1. The Supervisory Board shall hold meetings at least five times a year.
2. The meeting of the Supervisory Board shall be convened by the Chairman of the Supervisory Board. During the absence of the Chairman of the Supervisory Board, the meetings shall be chaired by the Vice-Chairman, if elected, or one of the members elected by the Supervisory Board.
3. The Chairman of the Supervisory Board shall be obliged to convene the Supervisory Board meeting at the request in writing of the Management Board or one of the Board members. In such a case, the Chairman of the Supervisory Board shall be obliged to order the convening of the meeting not later than within two weeks counting from the date of the request's submission.
4. The notice of the Supervisory Board meeting should be submitted in writing at least 10 days prior to the set date of the meeting. The notice should contain the date, time and venue of the meeting and the proposed meeting's agenda. The members of the Company's Management Board shall be invited to participate in the Supervisory Board meeting.
5. The meeting's agenda may be modified or new items may be added in the event that all Supervisory Board members are present and agree to do so.
6. Notices of the Supervisory Board meetings and materials for the Supervisory Board may be sent by e-mail to the e-mail address given by the Supervisory Board member.

#### § 5

1. For validity of the Supervisory Board's resolutions it shall be required to invite to the meeting all Supervisory Board members, and the presence of at least three members of the Supervisory Board shall be required.
2. The Supervisory Board shall pass resolutions by absolute majority of votes of the present members. In the event of a tie on vote, the meeting Chairman's vote shall be decisive.
3. The Supervisory Board may pass resolution by means of voting in the written form.
4. The vote at the meeting shall be open. At the request of at least one of the present Supervisory Board members, the meeting chairman shall order a secret vote.

#### § 6

Resolutions passed by the Supervisory Board may take the form of:

- motions submitted to the General Meeting,
- opinions and recommendations addressed to the Company's Management Board,
- acceptance or non-acceptance of the motions filed by the Company's Management Board.

#### § 7

1. The Supervisory Board members may exercise their rights and duties only in person.



In performing their functions, they shall be obliged to take care of the good reputation and appropriate safeguarding the Company's interests and maintaining trade and corporate secrets of the Company.

2. The Supervisory Board members shall be obliged to inform the company about selling or buying the shares of PROCHEM S.A. and subsidiaries, pursuant to the applicable laws and the company's information duties.
3. The Supervisory Board member should inform the other Supervisory Board members about any conflict of interests and refrain from taking part in the discussion and voting on such a matter.

#### § 8

The Supervisory Board may delegate individual members to permanently perform, on an individual basis, the supervision over the company's business, also at the request of shareholders; the Supervisory Board may also, for the purpose of carrying out individual tasks, appoint teams formed by the members thereof.

The Supervisory Board, in carrying out its tasks, may use the assistance of non-members – experts in a given area.

The Supervisory Board members, delegated at the request of shareholders to exercise permanent supervision, shall submit to the Supervisory Board detailed reports in writing on the performance of their functions at each Supervisory Board's meeting.

#### § 9

The meeting of the Supervisory Board may be attended by the Company's Management Board without the right to vote and, depending on needs and the meeting's subject matter, also by other persons invited by the Supervisory Board.

#### § 10

Minutes shall be taken of the meetings of the Supervisory Board. The minutes of the meeting shall be taken by one of the Supervisory Board members or a non-member requested to carry out this task. The minutes should contain the meeting's agenda, names and surnames of the Supervisory Board members present, the number of votes cast in favour of individual resolutions and dissenting opinions. The minutes shall be signed by the Supervisory Board members present.

#### § 11

1. The Supervisory Board shall submit each year to the general meeting the assessment of the company's financial standing, including the assessment of the internal audit system and the system of management of the material risk for the company, in the Supervisory Board Report for a given year.
2. The Supervisory Board members should participate in the general meeting, in composition enabling to specifically reply to questions raised during the general meeting.

#### § 12

1. For the performance of their functions, the Supervisory Board members shall receive remuneration recognised as the costs of the company's activity. The said remuneration shall consist of permanent and additional parts.
2. The permanent part shall represent a lump sum of PLN 2,500.00 per month for each Supervisory Board member.

3. The additional part shall be paid on a one-off basis, after the end of each financial year, within thirty days from the date of approval by the General Meeting of the financial statements, provided that the Company reported net profit in a given financial year. The additional remuneration, for each of the Supervisory Board members, shall be calculated at 0.8% of the net profit earned in a given financial year.
4. In the event that the Supervisory Board member has ceased to perform their role, the additional remuneration shall be paid on the same date, mentioned under item. 3, pro rata to the time of the actual performance of the function of the Supervisory Board member in a given financial year.
5. The amendment to § 12 of Bylaws requires resolution of the General Meeting of PROCHEM S.A.

#### § 13

To issues not regulated herein the Statutes of PROCHEM S.A. and the Commercial Companies Code shall apply.

#### § 14

The Bylaw of the Supervisory Board of PROCHEM S.A. may be found on the company's website.