

RULES FOR THE MANAGEMENT BOARD of Boryszew S.A.

I. General Provisions

§ 1

1. The Management Board of the Company is a statutory authority of Boryszew S.A. operating under the provisions of the law, Statute of the Company, resolutions of the General Meeting of Shareholders, resolutions of the Supervisory Board, and these present Rules manages of the Company's activities.

§ 2

1. The Management Board shall consist of 1 to 5 members including the President of the Management Board, up to two Vice-Presidents and Members.
2. The term of office of the Management Board is common for all the Management Board's Members. The re-election of the same person to the post of the Member of the Management Board is allowed for the periods of not longer than 5 years each.
3. Members of the Management Board shall be appointed and recalled by the Supervisory Board. The Management Board's member shall be recalled or suspended also by the General Meeting of Shareholders.
4. The Management Board, under the leadership of the President, shall manage the Company's affairs and represent the Company toward third parties. Resolutions of the Management Board are passed by an absolute majority of votes with such reservation that in case of equality of votes deciding vote belongs to the President of the Management Board.
5. The Management Board shall be responsible for all matters relating to the Company's affairs which, under this Statute and laws regulations, do not fall within the jurisdiction of the General Meeting of Shareholders or the Supervisory Board.
6. The President of the Management Board Member single-handedly or two members of the Management Board Member acting jointly or a member of the Management Board and a proxy may make declarations of will and sign on behalf of the Company.

II. Rights and Obligations of the Management Board and its Members

§ 3

1. Basic object of the Management Board is realization of the Company's business, understood as increasing of its assets, taking into account rights and business other than shareholders entities engaged in the functioning of the Company, especially its creditors and employees.
2. The Management Board is responsible for reliable management of the Company's business and implementation of its statutory objectives in compliance with legal regulations and good practices.
3. The Management Board ensures transparency and efficiency of company management system and carries out its business according to the provisions of law and good practices.

4. Taking decisions on the Company, the Management Board's members act within the limits of reasonable economical risk, e.g after examining all information, analyses and opinions, which, according to the Management Board, should be in such case taken into consideration as far as the business of the Company is concerned. Fixing the Company's interest there should be taken into account: long-term interests of shareholders, creditors, employees of the Company and other entities and persons cooperated with the Company as well as the local communities as far as its economical activity is concerned.
5. Concluding transactions with shareholders and other persons, which interests may influence on the Company's interest, the Management Board should act with particular caution to conclude transactions on the market conditions.
6. Members of the Management Board are obliged to retain loyal to the company and evade activities, which may result only realization of their own profits. In case of getting information about possibility of making investment or other beneficiary transaction by the Company, the Management Board's member should present such information immediately to the Management Board in order to consider the possibility of its using by the Company. Using such information by the Management Board's member or passing it to third party may occur only with the consent of the Management Board and only if it does not affect the Company's interest.
7. The individual obligations of the Management Board's members, being simultaneously directors in the Company are described in the Organization Rules of Boryszew S.A..

III. Passing resolutions

§ 4

1. Resolutions of the Management Board are passed by the absolute majority of votes with the provision of § 2 point 4 of these Rules.
2. Resolutions of the Management Board may be passed if all its members have been notified of a meeting.
3. Presence of at least half of the Management Board's members is required, under the conditions that all members have been notified of a meeting, for resolutions to be valid.
4. The Management Board's resolutions may also be passed in the way of written voting or in the way of direct communications if all Management Board's member will accept such mode. The resolution is then valid if all Management Board's members have been informed about the content of the resolution's draft. Resolutions adopted by circulation are included to protocol on the nearest Management Board's meeting.
5. Any matters beyond ordinary management require a resolution of the Management Board, in particular those concerning:
 - 1) Requiring the approval by the Supervisory Board:
 - a) introducing and closing of branches and other separated organization sections of the Company.
 - b) purchase and sale of real estates, perpetuity or share in real estate,
 - c) cover, disposal or purchase of shares and stakes worth more than the PLN 1.0 million,
 - d) acquire rights or incur liabilities worth more than PLN 5.0 million, if the Company is to incur fixed assets (under the tax regulations).
 - 2) Other issues directed to the Supervisory Board or require its resolution, particularly:
 - a) opinions of motions and issues required resolution of the General Meeting of Shareholders, including: financial statements of the Company and the consolidated financial statements of the Capital Group and statements of the Management

- Board's report on the activities of the Company and the Capital Group for the past year, motions regarding profit distribution or coverage of loss of the Company,
- b) define of the issue price of new shares,
 - c) opinion of the Management Board's motion on concluding an agreement with sub-issuer.
- 3) Motions to the General Meeting of Shareholders,
 - 4) Adoption of the Management Board's Rules,
 - 5) Adoption to publish mid-year and year Management Board's report on the activities of the Company and the Capital Group and financial statements of the Company and the consolidated financial statements of the Capital Group,
 - 6) Adoption of the development programme of the Company and the Capital Group,
 - 7) Adoption of the budget of the Company and the Capital Group,
 - 8) Appointment of proxies, in this case the agreement of all Management Board's members is required,
 - 9) Adoption of the Organization Rules of the Company,
 - 10) Adoption of the Working Rules.

IV. Management Board's Working Procedures

§ 5

1. The Management Board meets as required, at least once every 2 weeks.
2. Meetings of the Management Board are convened and conducted by the President of the Board.
3. Employees of the Company and other persons involved in issues discussed may be invited to attend meetings of the Management Board.

§ 6

1. Minutes are taken of each Management Board meeting and signed by the Management Board Members present at the meeting.
2. Minutes should include the agenda, the full names of the Management Board Members present, the number of votes cast for resolutions, and dissenting votes, if any. Minutes include: date, place, names of participants, agenda, resolutions passed, short description of the said issues in the particular points of agenda.
3. The original resolutions and minutes are filed at the Corporate and the Owners Supervision Office.
4. Management Board, before concluding by the Company important agreement with subsidiary asks the Supervisory Board to approve such transaction/agreement. Typical transactions concluded on markets conditions under the operational activities conducted by the Company with subsidiary, in which the Company possesses majority of capital share, are exempt from the above mentioned procedure.
5. Management Board Members shall notify the Management Board of any conflict of interests or any potential conflict of interests and shall abstain from discussion and from voting the resolution over issue, in which the conflict of interests occur.

V. Participation in General Meetings of Shareholders

§ 7

1. Management Board members are obliged to take part in General Meetings of Shareholders, in case of not participating in the General Meeting they present written explanation, which will be presented on this Meeting.
2. Management Board members take part in the session of the General Meeting in such composition which enable to answer all questions asked during the Meeting.
3. Answering the shareholders questions, the Management Board members are obliged to observe rules regarding passing information to public knowledge and confidential information.

VI. Final Provisions

§ 8

In cases not defined by this Rules, there should be the provisions of the law, Statute, resolutions of the Supervisory Board or the General Meeting if Shareholders applied.

§ 9

1. The Rules was adopted by the Management Board according to § 11 point 7 of the Company Statute and art. 371 § 6 of the Commercial Companies Code.
2. The Rules is in force from the day of its passing.