

**RULES OF MANAGEMENT BOARD  
of Trakcja PRKił Spółka Akcyjna  
in Warsaw**

**I. GENERAL PROVISIONS**

§1.

On the grounds of Article 18.5 of the Company Charter of Trakcja PRKił S.A. ("Company") in Warsaw, the Supervisory Board of the Company hereby adopts the Rules of the Management Board, hereinafter referred to as "Rules", in form as set out in the following paragraphs.

§2.

In its operation, the Management Board of the Company acts in accordance with applicable laws, provisions of this Charter and resolutions of the General Meeting of Shareholders as well as the resolutions of the Supervisory Board.

**II. OPERATION OF THE MANAGEMENT BOARD**

§3.

The Management Board of the Company is composed of one to ten members.

§4.

The scope of duties of the Management Board members results from the applicable laws, provisions of the Charter, resolutions of the General Meeting of Shareholders and the Supervisory Board as well as the provisions of these Rules and other Rules in force in the Company.

A correctly executed contract with the President of the Management Board, Managing Director, specifies in detail the scope of duties of the Managing Director. This applies in particular to the duty to manage departments, listed among the Managing Director's duties in the Organisational Rules of the Company.

A correctly executed contract with a member of the Management Board, Technical Director, specifies in detail the scope of duties of the Technical Director. This applies in particular to the duty to manage departments, listed among the Technical Director's duties in the Organisational Rules of the Company.

A correctly executed contract with a member of the Management Board, Financial Director, specifies in detail the scope of duties of the Financial Director. This applies in particular to the duty to manage departments, listed among the Financial Director's duties in the Organisational Rules of the Company.

A correctly executed contract with a member of the Management Board, Marketing and Development Director, specifies in detail the scope of duties of the Marketing and Development Director. This applies in particular to the duty to manage departments, listed among the Marketing and Development Director's duties in the Organisational Rules of the Company.

§5.

1. The authorisation to give statements of intent and sign for the Company is vested in:

1/ two members of the Management Board acting jointly;

2/ one member of the Management Board acting jointly with the commercial proxy [prokurent] appointed by the Management Board (to the extent of commercial proxy's authorisation to act for the Company under the Polish Civil Code);

3/ attorney in fact, authorised under the resolution of the Management Board to take specific actions for the Company (within the scope of the received power of attorney).

2. Before giving a statement of intent and signing for the Company, the members of the Management Board, commercial proxies and attorneys in fact are required to request from the Management Board or the Supervisory Board the consent for such actions when such a consent is required under law in accordance with Article 17.1 of the Polish Commercial Companies Code or provisions of the Company Charter under Article 16 or Article 17.3 of the Polish Commercial Companies Code. If such consent is required under law, the members of the Management Board can request such consent from the General Meeting of Shareholders or the Supervisory Board within 2 months of the giving of the statement of intent or signing the documents for the Company.

3. Any contracts or other documents, which require prior consent or opinion of the Supervisory Board by operation of law, provisions of the Company Charter, Rules of the Supervisory Board or in accordance with the resolutions of the Supervisory Board - with regard to the increase of the limits set out in the Charter (Article 16) - or these Rules - shall be presented by the Management Board to the Supervisory Board in writing, in form of a request duly signed at least by the President of the Management Board and one member of the Management Board.

#### §6.

1. The Management Board operates in a continuous manner. The meetings of the Management Board are convened by the President of the Management Board at least once a month. The meetings are convened in such a manner that all members of the Management Board receive information about the date, time, place and agenda of the planned meeting at least 2 days prior to its folding. In urgent matters, a meeting of the Management Board can be convened without observance of the aforesaid two days' time limit, if all members of the Management Board were invited for the meeting at least one business day in advance or when all members of the Management Board were notified of the meeting through direct remote communication means in accordance with §9.3 and agreed to hold the meeting.

2. Within his competencies referred to in § 4 of the Rules, each member of the Company's Management Board is authorised to individually conduct the Company's affairs. For the purposes of fulfillment of these duties members of the Management Board may issue rulings. When any of the members of the Management Board states that the decision in a given matter requires to be resolved by the Management Board, the President of the Management Board, at such member's request, must convene a meeting of the Management Board within 7 days or hold the voting by circular or voting through direct remote communication means. Rulings of the Management Board members may be approved in the above procedure or waived by the resolution of the Management Board.

3. The President of the Management Board makes all reasonable efforts to hold the meeting at such time of the day that all members of the Management Board be able to participate, directly or by means of distance communication.

4. Each member of the Management Board is authorised to receive full information about the activities of other members of the Management Board in the matters related to the Company's operations and to demand that the Management Board adopts a resolution in any given matter.

5. Subject to provisions stipulated in § 6.2 above, the decisions of the Management Board are adopted in form of resolutions, save that in the following instances the Management Board must obtain a written consent or - as the case may be - opinion of the Supervisory Board::

1/ opinion concerning the Organisational Rules,;

2/ opinion concerning the Remuneration Rules;

3/ appointment and dismissal of members of any bodies of the Company's subsidiaries;

4/ Company's annual budget, business plan and strategy plan;

5/ undertaking of activities other than those set out in the framework of the Company's core operations or specified in the business plan or strategy plan as approved by the Supervisory Board;

6/ opinion on increase or reduction of the Company's share Capital, prior to the presentation of a draft resolution in this regard to the General Meeting of Shareholders,

7/ the incurring of financial liabilities by the Company (including loans and crediting facilities), in the amount exceeding the limits set out by the Supervisory Board,;

8/ extension of loans, issue of guarantees, issue of promissory notes or bills of exchange or similar Instruments on the Company's behalf to secure third parties' obligations, and actions aimed at securing third parties' obligations, with the value exceeding the limits set out by the Supervisory Board;

9/ purchase, lease, sale or any other form of disposal of real property, perpetual usufruct or interest in real property held by the Company, with the value exceeding the limits set out by the Supervisory Board;

10/ draft amendments of the Articles of Association/Charters of the Company's subsidiaries as well as other draft resolutions presented by the respective Management Boards of those companies, before their presentation to the General Meeting of Shareholders of such companies;

11/ appointment of commercial proxy [prokurent] for the Company;

12/ the Company's entering into a contract, transaction or several related contracts or transactions going beyond the scope of the Company's regular operations or unrelated to the Company's core operations, with the value exceeding the limits set out by the Supervisory Board;

13/ purchase, sale, rental or any other disposal of the Company's property or assets under a transaction going beyond the scope of the Company's regular operations or unrelated to the Company's core operations, where the purchase price exceeds the limits set out by the Supervisory Board;

14/ taking up or buying shares in other companies or making any other investments in other companies or accessing joint investments, where the value of single transaction exceeds the limits set out by the Supervisory Board;

15/ entering into joint-venture agreements or any other similar agreements with third parties, hereby the value of the Company's obligations thereunder exceeds the limits set out by the Supervisory Board;

16/ participation in tenders, with the value exceeding the limits set out by the Supervisory Board;

17/ establishment of any encumbrance or other collateral or any assets or components of the Company's enterprise, with the value exceeding the limits set out by the Supervisory Board, except for

for encumbrances established in relation to guarantees issued by the Company or for the Company's obligations in connection with transactions referred to in the point herein below;

18/ award of guarantees to third parties, other than guarantees for works that may arise from transactions under regular operations of the Company in railway industry and municipal rolling stock sector;

19/ purchase or sale of industrial or intellectual property documents and execution of license agreement, with the value exceeding the limits set out by the Supervisory Board;

20/ entering into any contracts, transactions or several related contracts or transactions with related parties as defined in Article 4.1.4 and 4.1.5 of the Polish Commercial Companies Code (except for companies being members of the Company's group), with the value exceeding the limits set out by the Supervisory Board;

21/ entering into agreements on exclusivity terms, with the value exceeding the limits set out by the Supervisory Board.

#### §7.

1. The Management Board is under obligation to prepare and present to the Supervisory Board the following documents:
  - a) monthly financial statements (balance sheet and income statement) - every month, within 10 days of the date of preparation thereof,
  - b) analytical accounting - every month, within 10 days of the date of preparation thereof,
  - c) quarterly cash flows forecasts - every quarter, within 10 days of the date of preparation thereof,
  - d) annual cash flows forecast, at least one month prior to the beginning of the year to which the forecast applies
2. The Management Board must make available to any members of the Supervisory Board the accounting archives as well as present all and any documents, records, contracts and agreements signed by the Company with third parties.

#### §8.

1. The Management Board adopts its resolutions with absolute majority of votes of the members of the Management Board present at the meeting or taking part in the voting. In the case of a tie, the President of the Management Board has the casting vote.
2. Individuals invited by the Management Board without the right of vote can take part in the meetings of the Management Board.
3. The minutes of the meetings of the Management Board are drawn up in writing and should contain at least the following:
  - 1/ subsequent number of the minutes;
  - 2/ date and place of the meeting;
  - 3/ list of the present and absent members of the Management Board;
  - 4/ agenda;
  - 5/ / text of resolutions;
  - 6/ results of voting.
4. The Minutes must be signed by all members of the Management Board present at the meeting.

5. The minutes, together with the resolutions adopted by the Management Board, are kept in the Management Board's office in separate files.
6. The minutes and resolutions shall be numbered as follows:
  - 1/ document designation: "Minutes of the Meeting of the Management Board of...."
  - 2/ designation of each resolution "Resolution of the Management Board of...."
  - 3/ subsequent number with a given month (in each month, the numbering starts from "1").
7. If all members of the Management Board agree, no minutes of the meeting have to be kept, provided that all resolutions adopted at such meeting will have the form of separate documents. In such a case, a note shall be made, and in the case of any doubts as to the course of the meeting, the note shall be binding..

#### §9.

1. The Management Board can adopt resolutions by voting by circular as well as through direct remote communication means, available to all members of the Management Board.
2. In order to carry out an effective voting by circular, the President of the Management Board or the member of the Management Board appointed by him/her, hands or delivers draft resolutions through direct remote communication means, in accordance with § 9.3 herein below, to all other members of the Management Board. The resolution enters into force on the day, on which the signatures of all members of the Management have been placed under the draft text before.
3. Each member of the Management Board, immediately upon appointment, shall give the President of the Management Board written information about the member's available means of direct remote communication, i.e. shall give his/her e-mail address, phone number and fax number. The member of the Management Board must also specify his/her mailing address, in particular in the case of voting by circular. Each member of the Management Board must notify any changes in his/her available means of direct remote communication and mailing address to the President of the Management Board, not later than with 3 days of the change; in emergencies, the member of the Management Board can inform what temporary means of direct remote communication are available to him/her that can be used for a given voting. The members of the Management Board can use of direct remote communication means available to them at any given moment and are not obligated to use the same means for a specific voting.
4. Before proceeding to voting through direct remote communication means, the President of the Management Board or his/her appointee shall notify all members of the Management Board about the date of the voting. The voting can take place in such manner if all members of the Management Board have been notified at least 2 (two) days in advance, and provided that the draft resolution or resolutions were accepted. In urgent matters, the voting of the Management Board can be carried out without observance of the foregoing conditions, if all members of the Management Board agree to vote in such a manner. This consent can be given through any method of direct remote communication.
5. Once the voting ends, the President of the Management Board or the member of the Management Board appointed by him/her draws up the voting record and signs it. The record should contain a description of the conducted voting, text of the resolution presented for voting, the number of votes cast "for" a resolution, "against" and abstained. The provisions of § 8.3, 8.5 and 8.6 apply accordingly.

### **III. FINAL PROVISIONS**

§10.

These Rules become effective as of the date of adoption by the Supervisory Board.