

ARTICLES OF ASSOCIATION  
OF  
**PRZETWÓRSTWO TWORZYW SZTUCZNYCH**  
**"PLAST-BOX" SPÓŁKA AKCYJNA**

(complete text)

**GENERAL PROVISIONS**

§ 1

The Company operates under the name of Przetwórstwo Tworzyw Sztucznych "Plast-Box" Spółka Akcyjna (Joint Stock Company). The Company may use its unique graphical logo.

§ 2

The Company's registered office is located in Słupsk.

§ 3

The Company's life is unlimited.

§ 4

The Company operates in the territory of the Republic of Poland and abroad.

§ 5

The Company may establish branches, plants, subsidiaries and other outlets, hold shares in other companies and participate in joint ventures and business relationships in Poland and abroad.

§ 6

The Company is founded by:

- 1) Bekuplast GmbH Kunststoffverarbeitungen established in Ringe, Germany
- 2) Johan-Heinrich Ensink
- 3) Waldemar Pawlak

- 4) Grzegorz Pawlak
- 5) Franciszek Preis.

§ 7

1. The core activity of the Company covers:
  - a) production of cellulose mix, paper and cardboard,
  - b) production of paper and cardboard products,
  - c) production of paints, lacquers and similar coating substances, printing paints and sealing mixes,
  - d) production of synthetic fibres,
  - e) production of household goods not classified elsewhere,
  - f) production of sports articles,
  - g) production of games and toys,
  - h) other production activities not classified elsewhere,
  - i) wholesale based on direct payments or contracts,
  - j) wholesale of food and tobacco,
  - k) wholesale of household goods,
  - l) wholesale of half-finished products and wastes of non-agricultural origin and scrap,
  - m) other wholesale,
  - n) retail sale at non-specialised shops,
  - o) other retail sale of new goods at specialised shops,
  - p) retail sale outside shop chains,
  - q) accounting, book-keeping and control of books, tax advice, market and public opinion research, advice on activities related to business and management,
  - r) technical studies and analyses,
  - s) advertisement,
  - t) other commercial activities not classified elsewhere,
  - u) production of plastic products.

2. No change in the Company's core activity authorises shareholders to exercise a right to have their shares redeemed.

## COMPANY'S EQUITY

### § 8

The Company's share capital amounts to PLN 22 030 700.00 (twenty two million thirty thousand seven hundred zloty) and is divided into 4 406 140 (four million four hundred six thousand one hundred forty) shares of the nominal value of PLN 5.00 each.

The Company's shares comprise:

- a) 170 790 (one hundred seventy thousand seven hundred ninety) bearer's shares of A series bearing numbers from 00001 to 006150, from 006151 to 009793, from 009794 to 013436, from 013437 to 017079, from 017080 to 170790;
  - b) 668 000 (six hundred sixty eight thousand) registered preference shares of B series bearing numbers from 000001 to 022268, from 022269 to 044534, from 044535 to 066800, from 066801 to 668000;
  - c) 1 210 (one thousand two hundred ten) bearer's shares of C series bearing numbers from 0001 to 0038, from 0039 to 0075, from 0076 to 0112, from 0113 to 0121, from 0122 to 1210;
  - d) 650 000 (six hundred fifty thousand) bearer's shares of D series bearing numbers from 000001 to 650000;
  - e) 660 000 (six hundred sixty thousand) bearer's shares of E series bearing numbers from 000001 to 660000;
  - f) 2 256 140 (two million two hundred fifty six thousand one hundred forty) bearer's shares of F series bearing numbers from 00000001 to 2256140.
3. The Company may raise its share capital by increasing the nominal value of shares or issuing new shares.

### § 9

1. Shares are saleable, indivisible and hereditary. To transfer ownership rights to or pledge a registered share, the Shareholders' resolution is necessary unless such shares are transferred or pledged to the benefit of spouses or descendants. In the case registered shares are sold to persons other than those referred above, other shareholders owning registered shares have a priority right to buy such shares at a price equal to their carrying value determined in the

Company's latest audited financial statements. The pre-emption right should be exercised within 21 (twenty one) days as of the Company's being informed about one's intention to sell registered shares by submitting a written statement and paying a price for the shares through the Company.

2. In the case the pre-emption right is not exercised, the Management Board, within 30 (thirty) days as of a shareholder informing about his/her intention to buy or pledge shares, summons the General Shareholder Assembly as at a day falling within a period not longer than 30 days as of the General Shareholder Assembly summoning date.
3. The Shareholders' resolution shall define the buyer of shares or a procedure for finding such a buyer, a sales price determination method and a period for which the resolution shall apply to a given shareholder.
4. In the case a resolution on the transfer of ownership rights to shares is adopted, a shareholder that such a resolution refers to shall refrain from voting thereover.
5. The sale of registered shares against the provisions of this paragraph shall be ineffective towards the Company.

#### § 10

1. Subject to clause 2, all the Company's shares are bearer's shares.
2. Shares of B series are registered shares with preference voting rights.
3. Shares of B series entitle to 2 (two) votes at the General Shareholder Assembly.
4. A shareholder owning registered shares may request to covert such shares into bearer's shares. The conversion of registered shares into bearer's shares is conducted by the Management Board. Bearer's shares may not be converted into registered shares.

#### §11

The Company may buy its own shares on terms and conditions set forth in the commercial companies code. None of shareholder groups may be privileged in own share purchase. This shall not apply to the redemption of shares.

#### § 12

1. Shareholders have a priority right to acquire new shares proportionally to the number of already held shares (pre-emption right).

2. In the interests of the Company the General Shareholder Assembly may deprive shareholders of their pre-emption right, partially or fully, by virtue of a resolution.

### § 13

1. Shares may be redeemed at the shareholder's consent through share capital reduction.
2. The sequence and numbers of shares to be redeemed are defined by the Management Board. Other share redemption conditions are resolved by the General Shareholder Assembly.

## **COMPANY'S AUTHORITIES**

### § 14

The Company's authorities are:

1. General Shareholder Assembly
2. Supervisory Board
3. Management Board.

### § 15

1. The General Shareholder Assembly is the top authority of the Company.
2. The General Shareholder Assembly is summoned as an ordinary or extraordinary meeting.
3. The General Shareholder Assembly is held at the Company's registered office or in Warsaw.
4. The General Shareholder Assembly is summoned by the Management Board. The General Shareholder Assembly may be also summoned by shareholders and the Supervisory Board in cases provided in the commercial companies code.
5. Terms and conditions for summoning the General Shareholder Assembly are set forth in the commercial companies code. Shareholders being the Company's founders also have a right to request that the General Shareholder Assembly be summoned.
6. Resolutions may be adopted without formal summoning if the whole share capital is represented and none of attendees objects either against the fact that the General Shareholder Assembly is held or against particular issues included in the agenda.
7. In matters not covered in the agenda, resolutions may be adopted provided that the whole share capital is represented at the General Shareholder Assembly and none of attendees objects against the adoption of such resolutions.

8. The Ordinary Shareholder Assembly shall be held at the latest 6 (six) months after the end of each financial year.

## § 16

Authorities of the General Shareholder Assembly include in particular:

1. reviewing and approving the Company Management Board's report, balance sheet and profit and loss account for a previous year;
2. deciding on profit distribution or loss coverage;
3. granting the vote of approval to Supervisory and Management Board members for the performance of their duties;
4. establishing, using and liquidating reserves and specific funds;
5. appointing and dismissing Supervisory and Management Board members;
6. approving the Regulations of the Supervisory Board;
7. raising or reducing the share capital;
8. changing the Company's core activity;
9. amending the Company's Articles of Association;
10. dissolving and liquidating the Company, appointing and dismissing liquidators;
11. selling and leasing an enterprise and establishing a right of use thereon;
12. selling the Company's factory facilities;
13. issuing bonds, including bonds convertible into shares or bonds with a pre-emption right;
14. defining the remuneration of Supervisory Board members;
15. other matters restricted to the General Shareholder Assembly in the commercial companies code;
16. adopting resolutions on the transfer of ownership of or pledge on registered shares;
17. giving a consent to Supervisory Board members to deal with competitive activity or activity having the hallmarks of activity competitive towards the Company's activity.

## § 17

1. At the General Shareholder Assembly, a share entitles to 1 (one) vote, except for preference shares.

2. Resolutions are adopted by the absolute majority of votes cast unless the commercial companies code provides otherwise.

§ 18

1. The Supervisory Board is composed of 5 (five) members, including Chairman and Vice-chairman, appointed for the joint term of 5 (five) years, provided that the term of Supervisory Board members appointed in 2003 should expire as of the meeting date of the Ordinary Shareholder Assembly in 2006.
2. Supervisory Board members are appointed and dismissed as follows:
  - 1) 3 (three) Supervisory Board members, including Chairman, are appointed and dismissed by voting at the General Shareholder Assembly by shareholders owning the Company's registered shares, by the absolute majority of votes resulting from registered shares;
  - 2) 2 (two) Supervisory Board members are appointed and dismissed by the General Shareholder Assembly.
3. Supervisory Board members appointment in a manner referred to in clause 2(2) may not be persons related to the Company or shareholders owning registered shares. This condition is deemed to be fulfilled if a Supervisory Board member:
  - 1) is not a shareholder owning registered shares, a spouse, ancestor or descendant of a shareholder owning registered shares;
  - 2) is not related, up to the third degree, to shareholders owning registered shares,
  - 3) is not employed by a shareholder owning registered shares or by the Company under an employment contract, agency contract or specific work contract;
  - 4) his/her spouse, ancestors or descendants are not employed by a shareholder owning registered shares or by the Company under an employment contract, agency contract or specific work contract.
4. Supervisory Board members perform their duties only personally.
5. The term of a Supervisory Board member appointed before the end of the term of the Supervisory Board expires together with the expiry of terms of other Supervisory Board members.
6. The Supervisory Board's operating procedure is set forth in regulations adopted by the Supervisory Board and approved by the General Shareholder Assembly.

7. The Supervisory Board's resolutions are adopted by the absolute majority of votes provided that at least a half of Supervisory Board members is present at the meeting and all members have been invited in writing and such invitations have been sent at the latest 10 days before the planned meeting date. In the case of votes tie, the Chairman's vote shall prevail.
8. Supervisory Board members may participate in adopting resolutions of the Supervisory Board without attending the Supervisory Board meeting, by casting their vote in writing. Votes cast in writing may not refer to issues not covered with an agenda which has been delivered to a given Supervisory Board member together with an invitation to the Supervisory Board meeting.
9. The Supervisory Board may adopt resolutions in writing on a correspondence basis provided that all Supervisory Board members have been informed about a draft resolution in writing and at least a half of Supervisory Board members cast their vote in writing. A vote is deemed to be cast if a Supervisory Board member affixes his/her signature in a document including resolutions. A resolution adoption date is deemed to be the expiry of a deadline for casting votes in writing unless votes of all Supervisory Board members are received earlier. In such a case the day as at which the last vote is obtained is considered as a resolution adoption date.
10. The Supervisory Board may adopt resolutions using direct remote communication media. Such meetings and resolutions shall be held and adopted in accordance with the provisions of clause 7.
11. The detailed procedure of adopting resolutions in writing on a correspondence basis and using direct remote communication media is set forth in the regulations of the Supervisory Board. However in the case of resolutions adopted with direct remote communication media, the requirement of a written notice on the Supervisory Board meeting does not apply if all Supervisory Board members have accepted such a meeting form.

## § 19

1. The Supervisory Board supervises the Company's activity.
2. The Supervisory Board shall be in particular obligated to:
  - 1) assess:
    - a) the Company's financial statements and the Management Board's report on the Company's activities in terms of their compliance with books, documents and actual situation;
    - b) the Management Board's motion concerning profit distribution and loss coverage to submit a relevant suggestion to the General Shareholder Assembly;

- 2) provide the General Shareholder Assembly with an annual report on the Company's standing;
  - 3) define the form and amount of remuneration for the Management Board;
  - 4) delegate Supervisory Board members to temporarily perform duties of Management Board members that are not able to perform such activities;
  - 5) give a consent to sell or lease particular assets of the Company whose value exceeds EUR 100 000 (one hundred thousand euro);
  - 6) give a consent to buy the Company's assets or make investments if buying and investment costs exceed EUR 200 000 (two hundred thousand euro) per case;
  - 7) appoint an auditor to audit the Company's financial statements;
  - 8) give a consent to the Company or the Company's related entity concluding an agreement by virtue of which Management Board members receive benefits from any title;
  - 9) give a consent to the Company or the Company's subsidiary concluding a material agreement with the Company's related entity, a Supervisory or Management Board member and their related entities.
3. Resolutions concerning issues referred to in clause 2(8-9) are deemed to be adopted if at least one Supervisory Board member appointed in a manner set forth in § 18(2)(2) has voted for them. However, if either of such Supervisory Board members has not attended the meeting, has not voted or abstained from voting at subsequent two Supervisory Board meetings where one of such issues has been discussed, the resolution may be adopted without the requirement referred to in the first sentence hereof being fulfilled.

## § 20

1. The Supervisory Board may express their opinions on all the Company's affairs and apply to the Management Board with requests and initiatives. Individual Supervisory Board members also have such a right.
2. The Management Board shall inform the Supervisory Board about their opinion on cases subject to the Supervisory Board's review.
3. In the case of a conflict between the interest of the Company and the interest of a Supervisory Board member, the Supervisory Board member shall inform thereabout other Supervisory Board members and abstain from voting over a resolution which such a conflict refers to. The conflict of interest does not refer to a Supervisory Board member appointed under § 18(2)(1) voting on

personal issues related to Management or Supervisory Board members.

4. Supervisory Board members shall follow the Company's applicable regulations on:
  1. the purchase and sale of the Company's shares and stocks and shares of companies whose stocks or shares the Company holds;
  2. communicating personal, actual or organisational relations with the Company's shareholders;
  3. confidential information flow.

#### § 21

1. The Management Board is composed of 3 (three) members appointed and dismissed by the General Shareholder Assembly. The term of Management Board members is joint and lasts for 3 (three) years.
2. The General Shareholder Assembly appoints one of selected Management Board members as President by virtue of a resolution.
3. In the case of a conflict between the Company's interest and a Management Board member's interest, the Management Board member shall inform other Management and Supervisory Board members thereabout and abstain from making a decision on an issue subject to such a conflict.

#### § 22

1. The Management Board manages the Company's current activity, being in charge of all affairs that are not restricted to the General Shareholder Assembly or the Supervisory Board.
2. Statements of will on the Company's behalf may be made by two Management Board members acting jointly or one Management Board member acting with a proxy.
3. A power of attorney for proxies is granted by the Management Board.
4. Specific activities or special commissions may be performed by plenipotentiaries acting on their own within the limits of an authorisation granted thereto in writing by the Management Board.
5. The Management Board shall be authorised to buy and sell properties or shares in properties subject to the Supervisory Board's consent.

## **ACCOUNTING RULES**

### § 23

1. The Company establishes:
  - a supplementary capital
  - a reserve capital.
2. The General Shareholder Assembly may establish other specific capitals from distributable profit and decide on the utilisation thereof.

### § 24

The Company's financial year is a calendar year.

### § 25

The Company keeps its books in accordance with applicable regulations.

## **FINAL PROVISIONS**

### § 26

1. The Company may be terminated in cases provided by law.
2. The Company's is liquidated by liquidators appointed by the Company unless appointed by the Court.

### § 27

The Company's announcements shall be published in *Monitor Sądowy i Gospodarczy*.

### § 28

In all matters not provided herein, relevant provisions of the commercial companies code shall apply.

Słupsk, 27 June 2008