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## **AUDIT COMMITTEE REGULATIONS**

of the company operating under the business name

**DOM DEVELOPMENT S.A.**

with its registered office in Warsaw

dated 5 September 2006,

amended on 29 December 2006, 29 June 2007, 3 April 2008 and on 5 October 2010

### **1 General Provisions**

- 1.1 These Regulations (the „**Regulations**”) are adopted by the Supervisory Board of Dom Development S.A., with its registered office in Warsaw (the „**Company**”) in accordance with its resolution dated 10 August 2006.
- 1.2 The Audit Committee (the "**Audit Committee**") is a permanent committee of the Supervisory Board.

### **2 Composition of the Audit Committee**

- 2.1 The Audit Committee shall comprise at least three members appointed by the Supervisory Board from amongst its members, at least two of whom shall be Independent Members of the Supervisory Board in the meaning of §7.7 of the Company's Statute. At least one Independent Member shall have qualifications in accounting or auditing.
- 2.2 The Supervisory Board shall appoint one member of the Audit Committee who is at the same time an Independent Member of the Supervisory Board in the meaning of §7.7 of the Company's Statute to act as the Chairman of the Audit Committee.
- 2.3 Each member of the Audit Committee may be at any time dismissed by the Supervisory Board.
- 2.4 The Chairman of the Audit Committee shall appoint one of its members or any other person to act as the Secretary of the Audit Committee, responsible for documentation of the works of the Audit Committee.

### **3 Tasks of the Audit Committee**

**3.1** The Audit Committee's tasks shall include the following:

- 3.1.1** supervising the Company's Management Board with respect to:
  - (i) compliance with the applicable provisions of law and other regulations, and in particular the Accountancy Law dated 29 September 1994;
  - (ii) preparation of financial information by the Company, in particular with respect to the choice of the accounting policy, application and evaluation of the consequences of new regulations, information on the method of treatment of the estimated items, forecasts, etc. in the annual reports;
  - (iii) compliance with the recommendations and findings of the auditors appointed by the Supervisory Board;
- 3.1.2** giving recommendations to the Company's Supervisory Board concerning the appointment and dismissal of the auditor;
- 3.1.3** controlling the auditor's independence and objectiveness, in particular with respect to the replacement of the auditor and the amount of his remuneration;
- 3.1.4** evaluation of the auditor's works;
- 3.1.5** preparing opinions within the scope of authority of the Audit Committee at the request of the Supervisory Board and upon its own initiative;
- 3.1.6** informing the Company's Supervisory Board at an appropriate time of the method of the Audit Committee's exercising its powers and of any material events related to its operation, and in particular providing all information concerning the results of the Audit Committee's works;
- 3.1.7** participating in the meetings of the Supervisory Board, the meetings of the Management Board and in the General Shareholders Meetings of the Company in order to provide detailed explanations concerning the operations of the Audit Committee.

**3.2** The Audit Committee is authorized to:

- 3.2.1** demand that the Company provide certain information concerning accounting, financial, internal and external audit issues; in particular, the members of the Audit Committee are authorized to review all books and records, and to request explanations from the Management Board members, managers and employees of the Company to the extent necessary for the proper performance of the Audit Committee's duties;
- 3.2.2** demand that the Company submits schedules of works of internal controllers and auditors;
- 3.2.3** review the Company's annual and semi-annual statements at an appropriate time;

- 3.2.4 give recommendations and assessments to the Supervisory Board within the scope of the Audit Committee's tasks; the President of the Management Board of the Company shall be informed of the recommendations and assessments submitted to the Supervisory Board.
- 3.3 When performing its duties, the Audit Committee may ask an expert or experts appointed by it for assistance or information in consideration of such fees as may be agreed upon between such an expert and the Audit Committee and approved by the Chairman of the Supervisory Board. The costs of the expert's fees shall be borne by the Company. Following the receipt of the approval of the Chairman of the Supervisory Board, as referred to in the previous sentence, the Chairman of the Audit Committee shall inform the Management Board of the agreed price and other actions necessary to retain an expert or experts.
- 3.4 The Audit Committee has authority only within the scope assigned to it in these Regulations.

#### **4 Meetings of the Audit Committee**

- 4.1 The Audit Committee shall hold its meetings as frequently as necessary for its proper operation, at least twice a year, i.e. prior to the end of the financial year and after the financial statement for the previous financial year is published.
- 4.2 The Audit Committee meetings are called by the Chairman of the Audit Committee or the Chairman of the Supervisory Board.
- 4.3 The Audit Committee shall have the right to invite members of the Management Board, the auditor's representatives and the Company's managers or employees to its meetings, should it deem appropriate.
- 4.4 The Audit Committee may adopt resolutions provided that at least half of the Audit Committee members are present at the meeting.
- 4.5 The applicable Company's Statute and Supervisory Board Bylaws but to the exclusion of the Point 6.5. of the Supervisory Board Bylaws shall apply accordingly to the conduct of meeting and the passing of resolutions by the Audit Committee.
- 4.6 The applicable Supervisory Board Bylaws shall apply accordingly to the drawing up minutes of the Audit Committee. Copies of the minutes of the meeting of the Audit Committee shall be delivered to the Chairman of the Supervisory Board within 7 days of the date of the Audit Committee meeting.

#### **5 Final Provisions**

- 5.1 The Supervisory Board may at any time amend these Regulations or withdraw any powers given to the Audit Committee.
- 5.2 These Regulations shall be published on the Company's website.