

MANAGEMENT BOARD BYLAWS

of the company operating under the business name

DOM DEVELOPMENT S.A.

with its registered office in Warsaw

1 General Provisions

- 1.1** These Bylaws (the „**Bylaws**”) sets out the terms and method of operation of the Management Board of Dom Development S.A, with its registered office in Warsaw (the „**Company**”).
- 1.2** The Bylaws further serve as a cooperation agreement among the Management Board members during the representation of the Company, performance of management duties and conduct of the Company’s affairs.
- 1.3** The Management Board operates on the basis of the Commercial Companies Code, the provisions of the Company’s Statute and these Bylaws.

2 Composition of the Management Board

- 2.1** The number of the Management Board members, the procedure for their appointment and dismissal and the term of their office are set out in the Statute.
- 2.2** The President of the Management Board manages the works of the Management Board and coordinates the works of other Management Board members.
- 2.3** The Management Board may entrust one of its members with certain tasks. One of the Management Board members, appointed as a Vice President of the Management Board pursuant to Section 6.2.2 of the Company’s Statute, shall be responsible for the Company’s financial matters.
- 2.4** In the event of any changes in the composition of the Management Board, the withdrawing member of the Management Board is obliged to transfer, on the basis of a protocol, all affairs conducted by him, including all documents and other materials concerning the Company and being in his possession, which he has been prepared, compiled, developed or received when performing his duties in the Management Board or in connection with such performance.
- 2.5** Such affairs, documents and materials referred to in the previous subclause shall be transferred to the President of the Management Board or any other Management Board member indicated by him.

3 Performance of Management Duties

- 3.1** The scope of the Management Board’s activities shall include the conduct of all of the Company’s affairs, other than the affairs reserved in the Commercial Companies Code or the Statute to the authority of the Shareholders Meeting and the Supervisory Board of the Company.

- 3.2 The Management Board shall implement resolutions of the Shareholders Meeting and the Supervisory Board.

4 Specific Obligations of the Management Board Members; Liability

- 4.1 The Management Board members are liable for the proper conduct of the Company's affairs.
- 4.2 The Management Board members shall perform their duties with the utmost care, utilizing their knowledge and life experience, and with full loyalty to the Company.
- 4.3 In the event that a Management Board member faces any obstacle in the performance of his duties, he shall be obliged to immediately notify the President of the Management Board of his inability to perform such duties. At the request of the President of the Management Board, the Management Board shall decide which of the other members of the Management Board shall perform such duties instead of him.
- 4.4 The Management Board members shall advise the Supervisory Board and the other Management Board members of each and any conflict of interests connected with the performance of their duties or of a potential conflict and shall refrain from voting on a resolution on any issue which may give rise to such a conflict of interest in their case.
- 4.5 The Management Board is obliged to report all material issues concerning the Company's operations and indicate risks connected with the conducted operations as well as risk management methods at each meeting of the Supervisory Board. In emergencies, the Management Board is obliged to inform the Supervisory Board members thereof immediately in writing.
- 4.6 The Company's Management Board members may sit on the management board or supervisory board of companies other than those of the Company's capital group subject to the approval of the supervisory board.
- 4.7 If a decision proposed to be made by Members of the Management Board is deemed to be contrary to the best interests of the Company, each Member of the Management Board shall issue a dissenting opinion or object to that matter and shall demand that his/her dissenting opinion be recorded in the minutes of the meeting of the Management Board.

5 Granting Powers of Attorney

- 5.1 In accordance with the method of representation of the Company, the Management Board members may grant specific and general powers of attorney to any third parties, including but not limited to the Company's employees.

6 Procedure for Calling and Conducting Management Board Meetings

- 6.1 The Company's Management Board shall hold its meetings as frequently as necessary for the proper operation of the Company but not less frequently than once a month.
- 6.2 The Management Board meetings shall be called by the President of the Management Board or in his absence by a Vice President of the Management Board.

- 6.3** The notice of the Management Board meeting, in Polish and in English, shall be sent to the Management Board members by facsimile, registered mail or by email at least three business days prior to the date of the meeting. In emergencies, the President of the Management Board may shorten this period.
- 6.4** The notice shall contain the agenda, and the time and place of the Management Board meeting. Materials and information concerning matters encompassed by the agenda of the meeting should be furnished prior to the meeting, possibly together with the notice.
- 6.5** The Management Board may hold its meetings without such meetings being formally called if all members of the Management Board are present and nobody raises any objections to the holding of the Management Board meeting in such manner.
- 6.6** The agenda of the Management Board meeting set out in the notice of the Management Board meeting should not be changed or supplemented during the meeting to which it pertains, unless all members of the Management Board are present at a given meeting and consent to any such change or addition.
- 6.7** The President of the Management Board, and in his absence a Vice President of the Management Board, shall chair the meetings. If the President and the Vice Presidents are absent, the meeting shall be chaired by a Management Board member appointed by the Management Board members present at the meeting.
- 6.8** The members of the Supervisory Board, the Audit Committee, the Remuneration Committee and the Company's employees relevant for the discussed matter as well as other persons may be invited to the meetings of the Management Board. Any persons who are not the Management Board members may be invited to the meeting by the President of the Management Board or a Vice President of the Management Board.
- 6.9** Meetings of the Management Board may be held by means of direct telecommunication (including, but not limited to video conferencing, teleconferencing or e-mail) in such a manner as to allow simultaneous real-time communication and mutual identification of all the Members of the Management Board attending the meeting, and the Management Board may adopt resolutions in writing or by means of direct telecommunication, in accordance with the rules laid down in these Bylaws.
- 6.10** In order to hold a remote meeting of the Management Board, it is necessary to provide the Members of the Management Board with the information necessary to ensure their participation in the meeting by means of direct telecommunication.
- 6.11** In order to ensure the unambiguous identification of a Member of the Management Board, it shall be obligatory to set up a communication channel available only to such a Member, to be used for the purpose of sending the notification of the meeting of the Management Board to such a Member and for the purpose of mutual identification of the Members of the Management Board prior to the start of the meeting.
- 6.12** In the event of a vote on resolutions at a meeting where at least one of the Members of the Management Board participates by means of direct telecommunication, the provisions of these Bylaws concerning participation in a meeting by means of direct telecommunication shall apply.

- 6.13** The adoption of resolutions by means of direct telecommunication may in particular involve teleconferencing, video conferencing or e-mail.
- 6.14** The adoption of a resolution by the Management Board via e-mail as a means of direct telecommunication shall involve the President of the Management Board or a person authorized by the President of the Management Board sending the draft resolution together with the time limit for taking a vote by e-mail to all Members of the Management Board, to their respective e-mail addresses known to the Company. Voting shall involve a Member of the Management Board sending an e-mail from the e-mail address to which the draft resolution was delivered to the e-mail address from which the draft resolution was received, such an e-mail message to indicate whether such a Member votes in favour of, against or abstains from voting on the resolution in question. E-mail messages containing the votes of Members of the Management Board shall be kept by the Company along with e-mail voting records.
- 6.15** The adoption of resolutions by the Management Board by means of teleconferencing or video conferencing as a means of direct telecommunication shall involve the President of the Management Board or a person authorized by the President of the Management Board reading aloud the written draft resolution, to be followed by voting by way of each Member of the Management Board who takes part in the vote making an oral statement whether he/she votes in favour of, against or abstains from voting on the resolution in question.
- 6.16** A resolution adopted by means of direct telecommunication shall be deemed adopted on the earlier of the date on which all votes were cast by all Members of the Management Board by means of direct telecommunication or the date of expiry of the time limit for voting in writing.
- 6.17** The President of the Management Board or a person authorized by the President of the Management Board shall declare the result of the vote and sign the resolution indicating the number of votes cast in favour, against and abstentions.
- 6.18** Minutes shall be recorded of meetings of the Management Board held via means of direct telecommunication.

7 Minutes

- 7.1** Minutes shall be drawn up of the meetings and resolutions of the Management Board.
- 7.2** The minutes should contain the date and place of the meeting, the list of the present Management Board members, the agenda, the results of voting over particular resolutions, the texts of the resolutions in the form of appendices to the minutes signed by the present members of the Management Board and dissenting opinions.
- 7.3** Resolutions of the Management Board are registered and placed in the Books of the Management Board Minutes. Resolutions are numbered – separately in each month. The resolution number consists of the serial number and the number denoting the month in which the resolution was passed as well as the last two digits of the year, e.g. resolution no. 01/05/05. Copies of resolutions are delivered to the Management Board members within 7 days of the approval date.

7.4 Minutes of a meeting of the Management Board held by means of direct telecommunication (telephone, video or other means of communication) and resolutions adopted in such a manner shall be signed by at least one of the Members of the Management Board participating in the meeting, with the proviso that the printouts of the correspondence or other evidence confirming the participation and voting by the Members of the Management Board by means of telecommunication shall be attached to the minutes. Members of the Management Board who are absent from the meeting or who have not taken part in the vote held in accordance with the procedure laid down in these Bylaws shall be notified of the proceedings of the meeting. The minutes shall include a mention of the means of direct telecommunication employed and of the fact that a Member of the Management Board who did not participate in the adoption of resolutions in this manner was given the opportunity to participate in the adoption of the resolution and confirmation that all Members of the Management Board were notified of the content of the draft resolution or resolutions in accordance with these Bylaws. The minutes shall also include the dissenting opinions and objections by Members of the Management Board, if such have been submitted.

8 Archives

The Management Board shall gather and maintain archives of documents related to its operations and documents delivered by the Shareholders Meeting and the Supervisory Board of the Company.

9 Management Board Members Participating in the Shareholders Meeting

9.1 The Management Board members are obliged to participate in the Shareholders Meeting, in such a composition that it is possible to provide substantial answers to questions asked during the Shareholders Meeting.

9.2 The Management Board members shall provide, if necessary, the participants of the Shareholders Meeting with information and explanations concerning the Company within the scope of their authority and to the extent necessary to resolve the matters discussed.

10 Remuneration of the Management Board Members

The Management Board members are entitled to remuneration in the amount determined by the Supervisory Board on the basis of a proposal presented by the Remuneration Committee.

11 Final Provisions

11.1 These Bylaws are adopted by the Supervisory Board pursuant to point 6.5. of the Company's Statute.

11.2 These Bylaws may be amended by a resolution of the Management Board.

11.3 These Bylaws shall take effect on the date of adoption hereof.

11.4 These Bylaws shall be published on the Company's website.