

September 13, 2013

Announcement on convocation of the Extraordinary General Meeting

The Board of Directors of **Tatry mountain resorts, a.s.** with its headquarters in Demänovská dolina 72, 031 01 Liptovský Mikuláš, the Slovak Republic IČO: 31 560 636 registered in the Business Register by the District Court of Žilina, Section: Sa, File No. 62/L (the "Company"), hereunder announces the convocation of an **Extraordinary General Meeting**, which will be held on **October 15, 2013** at **11:00** in **Holiday Village Tatrallandia, Ráztocká 21, 031 05 Liptovský Mikuláš, Slovak Republic** with the following agenda:

1. Opening of the Extraordinary General Meeting
2. Election of General Meeting bodies (the General Meeting chairman, minutes clerk, two minutes verifiers and persons authorized to count the votes)
3. Change of Articles of Association
4. Issuance of bonds
5. Closing

The **shareholder registration** will be done at the venue of the Extraordinary General Meeting on **October 12, 2013** from 09:00 to 10:30.

The **record day** to determine the shareholders' right to attend the Extraordinary General Meeting, the right to vote, to request information and explanations at the venue and to raise proposals is the third day prior to the General Meeting, i.e. **October 12, 2013**.

As per item 3 of the program: The proposed changes of Articles of Association shall affect Article II Scope of Business, Article VI Rights and Obligations of Shareholders, Article VIII General Meeting, Article IX General Meeting – Organizational Issues, Article XI Board of Directors, Article XII Supervisory Board, Article XIII Manners of Increase and Reduction of the Registered Capital, Article XVIII Distribution of Profits, and Article XXI Publishing of Facts Stipulated by the Law and by These Articles of Association. The substance of the proposed changes to Articles of Association is grounded in harmonization of the scope of business of the Company registered in the Commercial Register with the scope of business of the Company registered in the Trade License Register; extension of the scope of business with new services: "mountain guide activity, including guidance and accompanying of persons on tourist paths and trails" and "domestic irregular bus transportation"; in harmonization of the existing wording of Articles of Association with relevant provisions of Commercial Code as amended; and in refining of some articles of Articles of Association."

As per item 4 of the program: The Company Board of the Directors proposes a resolution to issue Company bonds in the total face value of EUR 70,000,000.

The announcement on convening the Extraordinary General Meeting was published on 13/09/2013 in the daily newspaper Pravda. The abovementioned information are available on the Company website www.tmr.sk.

The proposed changes to Articles of Association are attached.

Ing. Jozef Hodek
Member of the Board of Directors

Demänovská Dolina 13/09/2013

DRAFT

**OF THE ARTICLES OF ASSOCIATION
OF THE JOINT STOCK COMPANY**

Tatry mountain resorts, a.s.

/as of 15.10.2013

CHAPTER I

Fundamental provision

Article I

BUSINESS NAME AND REGISTERED OFFICE OF THE COMPANY

1. The business name of the company shall be:
Tatry mountain resorts, a.s.
(hereinafter referred to only as the "Company")
2. Registered office: 031 01 Demänovská Dolina no.72
3. The Company is registered in the Companies Register: held with the District Court in Žilina, section Sa, file no. 62/ L
4. The Company shall be established for indefinite time period.

Article II

SCOPE OF BUSINESS

The scope of business of the Company shall be as follows:

1. operating of cableways
2. operating of transport on a cableway
3. operating of ski lifts
4. renting of advertising spaces
5. operating of a ski school
6. operating of a snowboard school
7. construction works and changes
8. simple constructions, small constructions and changes
9. arranging of sale, rental and purchase of real property (real estate activities)
10. organising of children's leisure time activities in addition to activities arranged by travel agencies
11. operating of ski slopes
12. grooming of ski slopes, terrain works
13. transport of sports equipment and luggage
14. sports equipment depot
15. organising of trainings, seminars, schooling, culture and social events
16. organising of exhibitions
17. operating of car parks
18. providing data services – internet reading room
19. operating of no win slot machines and jukeboxes
20. reprographic services
21. operating of a tour operator
22. operating of a travel agency

23. travel guide
24. leasing and rental of real estate property, consumable goods and computer technology
25. personal transport of max. 9 people including the driver in addition to taxi services
26. arranging and selling of Company's own outdoor – sports services
27. microwave TV broadcasting in hotel and accommodation facilities
28. broadcasting of advertising and commercial spots via a microwave TV signal
29. creation of internet and web sites
30. looking after preschool children
31. repairs and maintenance of sports tools and equipment
32. factoring and forfeiting
33. manipulation with products of creative activities with authors' approval
34. publishing activities within the scope of non-regulated trade
35. bookkeeping
36. business consultancy and market research
37. cooking and selling of meat products, side dishes and vegetarian meals for consumption only
38. selling of food prepared and imported by an authorised producer at catering facilities, confectionery shops and delicatessen shops
39. preparing and selling of non-alcoholic beverages, factory-made milk beverages, cocktails, beer, wine and spirits
40. renting of sports equipment
41. operating of fun parks
42. operating of sports areas
43. organising of sports events
44. renting of boats
45. operating and constructing of buildings for individual recreation, single storey buildings and constructions necessary at a construction site unless their built-up area is larger than 300 m² and higher than 15 m, small constructions and their renovations
46. compiling of documents and construction projects for simple constructions, small constructions and their renovation
47. engineering activities
48. arranging of services related to the management of housing and non housing association
49. driving of somebody else's motor vehicles when authorised by the owner
50. construction supervision activities – building structures
51. purchasing of goods intended for sale to ultimate consumer (retail) or other trade operators (wholesale)
52. preparatory activities before construction operations
53. arranging of trade activities
54. arranging of services
55. computer services
56. services related to computer data processing
57. leasing of real property along with other than basic services related to the rental
58. leasing of movables
59. administrative services
60. activities of business, organisational and business
61. operating of culture, social and entertainment facilities
62. operating of sports facilities
63. advertising and marketing services

64. market research and public opinion poll
65. hairdresser saloon
66. cosmetic services
67. catering services
68. winter road maintenance
69. operation of facilities intended for regeneration and recondition
70. accommodation services in accommodation facilities including catering services in these facilities, a cottage settlement of 3rd category and camping sites of 3rd and 4th category
71. laundrette, ironing and mangling of clothes
72. massage services
73. exchange services – exchanging of foreign currencies for the Slovak currency in cash
74. mountain guide services including guiding and accompanying at tourist trails
75. non-regular domestic bus transport

CHAPTER II

Registered capital

Article III

REGISTERED CAPITAL OF THE COMPANY

1. The Registered capital of the Company equals to EUR 46.950.386 (fourtysix million ninehundredfifty thousand threehundredeightsix euro)

2. Registered capital of the Company upto day of registration of decrease of registered capital in the commercial register constisted of monetary and non-monetary contributions. Contribution in kind amounting to SKK 130.000.000 (one hundred and thirty thousand million Slovak crowns), shall consist of following immovable assets:
 - a/ immovable assets incorporated in the Deed of title no. 30 of the Cadastre office in Žilina, cadastre administration in Liptovský Mikuláš, located in regional authority Demänovská dolina as allotment no. 2926/37 – build-up areas with the size 4536 m2, allotment no. 2926/38 – other areas with the size 390 m2, allotment no. 2926/47 – other areas with the size 1499 m2, allotment no 2926/72 – build-up areas with the size 1710 m2, allotment no 2926/73 – other areas with the size 26 m2 and building under construction on allotment no. 2926/72; and
 - b/ immovable assets incorporated in the Deed of title no.9 of the Cadastral office in Žilina, cadastre administration in Liptovský Mikuláš, situated in regional authority Demänovská Dolina as allotment no. 2980/9 – build-up areas with the size 2275 m2, allotment no. 2980/54 – build-up areas with the size 910 m2, allotment no. 2980/55 – other areas with the size 1293 m2, allotment no. 2980/56 – other areas with the size 356 m2 and the construction no. 5 – Hotel Tri studničky built on allotment no. 2980/9

(hereinafter referred to only as „immovable assets“).

The immovable assets were evaluated by expert opinion Ing. Priehradný, no. 037/2002 amounting to 25,422,580.00 (twenty-five million four hundred twenty-two thousand five hundred eighty Slovak crowns) and no. 032/2002 amounting to 152,963,146.00 (one

hundred fifty-two million nine hundred sixty-three thousand one hundred forty-six Slovak crowns). Contribution in kind shall be set-off against the contribution of the shareholder to the Company in the total amount of SKK 130,000,000.00 (one hundred thirty million Slovak crowns).

3. The registered capital of the Company since the day of registration of decrease of register capital consists of monetary contributions.
4. The registered capital of the Company is divided into 6,707,198 (six million seven hundred and seven thousand one hundred ninety-eight) ordinary book-entered bearer shares with nominal value of EUR 7 (seven euro)
5. The company's shares are in the form of book-entered securities held in a statutory register of securities.

Article IV SHARES OF THE COMPANY

1. Pursuant to generally binding legal regulations (hereinafter referred to only as "law") and pursuant to Articles of Association hereof the shares shall give to shareholder the right to participate on the management of the Company, on its profits and on its liquidation balance upon the cancellation of the Company with liquidation, unless the law provides otherwise.
2. General Meeting may decide on issuing of shares:
 - a) of different form (registered shares, bearer shares)
 - b) of different nominal value (the value shall be expressed as a positive integer, unless special law provides otherwise,
 - c) of different kind (ordinary share, preferred share) differentiating by name and related rights
3. Any transfer of the shares shall be made, in compliance with special regulations, by a law stipulated registration of holders of registered securities
4. To acquire own shares of the company for the purpose of its transfer to the employees of the company, the provision of the section 161a, subsection 2, indent a) of the Commercial Code shall not be used. The shares so acquired shall be transferred to the employees of the Company no later than 12 (twelve) months from the date when they were acquired by the Company.
5. To acquire own shares of the Company for the purpose of averting imminent major damage for the Company, the provision of the section 161a, subsection 2 , indent a) of the Commercial Code shall not be used. Board of Directors shall be than obliged to inform General Meeting at its next meeting on the facts pursuant to section 161a, subsection 4 of the Commercial Code.

6. The Company may upon the decision of the General Meeting issue bonds giving the right to exchange them for the shares of the Company (convertible bond), or the preferred right for the preferred subscription of shares of the Company (priority bond), provided that the General Meeting decides, in parallel, a conditional increase of the registered capital

Article V

TERMS OF PAYMENT FOR THE SHARES AND CONSEQUENCES OF ANY DEFAULT IN THE PAYMENT OF THE SUBSCRIBED SHARES

1. In case of subscription of new shares when increasing of registered capital, the issue price of subscribed shares paid up by contributions in cash must be paid up in full no later than the date provided by law, unless shorter period is stated by resolution of the General Meeting concerning the increase of the registered capital. The General Meeting shall decide according to previous sentence in accordance with the law on the amount of the issue price which must be paid up by the subscribers by the date provided by the resolution of the General Meeting and to a bank account designated by the Board of Directors. Contributions in kind used for paying up the issue price of the subscribed shares to increase the registered capital must be paid up by the date provided by resolution of the General Meeting on the increase of the registered capital of the Company no later than the date of registration of the increased registered capital to the Companies Register.
2. In case of any breach of the duty to pay up the issue price of the subscribed shares or its part, the subscriber shall pay default interest at the rate of 20% per annum from the amount due.
3. The Board of Directors shall remind in writing the shareholder (subscriber) who fails to pay the issue price of the subscribed shares in time, to pay for it no later than 60 days from the receipt of such reminder. The reminder shall contain warning that there is a possibility of expelling from the Company
4. The Company shall expel the shareholder from the Company if the shareholder fails to pay up the issue price of the shares within 60 days pursuant to section 3. The Board of Directors shall decide if the shareholder is to be expelled. The shares of expelled shareholder shall be transferred to the Company following the receipt of the decision to expel the shareholder from the Company. The decision to expel the shareholder from the Company shall be sent to the shareholder and filed with the Collection Deed of the respective registered court by the Board of Directors. The shareholder and the Company shall settle their rights or duties in accordance with the Commercial Code.

Article VI

RIGHTS AND OBLIGATIONS OF THE SHAREHOLDERS

1. Legal regulations and Articles of Association hereof regulate the rights and the obligations of the shareholder. Both legal and natural persons may become a shareholder of the Company. The shareholder may not exercise the rights of the shareholder which would

affect the rights and professional interests of other shareholders. The company must treat all shareholders on equal terms.

2. The shareholder shall have the right to participate on the management of the Company, on its profits and on its liquidation balance upon the cancellation of the Company with liquidation. The right to participate on the management of the Company shall be exercised by the shareholder by participation at General Meeting and by execution of the rights related to this participation, whereas the shareholders shall be bounded with the organizational measures applicable to the proceedings of General Meeting. Any shareholder has the right to attend a general meeting, vote at the session, request information and explanations regarding the issues of the Company or parties controlled by the Company that are related to the subject of negotiations of the respective general meeting, propose motions at the general meeting require issues determined by him/her be added to the agenda of the general meeting pursuant to valid legal regulations. The date relevant for the exercise of the rights according to previous sentence shall be the day indicated in the notice of General Meeting in accordance with section 180, subsection 2 of the Commercial Code.
3. Shareholder may attend the General Meeting personally or through a written proxy specifying the scope of powers of the proxy and containing an officially authenticated signature of the appointing shareholder. A member of the Supervisory Board may also act as a proxy of the shareholder at the General Meeting. In such case a power of proxy shall include specific instructions for voting on each resolution or each topic of the General Meeting's agenda that will be subject to voting by the member of the Supervisory Board as a proxy of the shareholder on behalf of shareholder. If the shareholder issues powers of proxy authorizing several proxies to exercise voting rights related to the same shares on the same General Meeting, the Company shall accept the votes cast by that proxy who signs the attendance list first. The power of proxy shall be, in compliance with the article VIII, section 2, submitted at the presentation for the documentation purposes. Shall any shareholder participate in general meeting having signed Power of Attorney, such Power of Attorney becomes invalid. The agent cannot be a member of the Board of Directors. If the shareholder keeps the shares on more than one securities account according to special regulation, the Company shall be obliged to enable his representation by one proxy per each said securities account according to special regulation. If several shareholders issue a written power of proxy authorizing a single proxy to represent such shareholders, such a proxy may cast votes separately on behalf of each shareholder represented thereby.
4. If approved by the Board of Directors of the Company and the shareholders will be advised of this fact in the notice of General Meeting of the Company, the shareholder will be required to submit, for the purpose of proving to be a shareholder as of the relevant date, the holder's registered securities statement as of the relevant day held by the Central Depository or a member of the Central Depository
5. The number of votes the shareholders have is determined by the ratio of the nominal value of his/her shares to the total nominal capital, while every 7,-€ (seven EUR) of the nominal value equals to one vote.
6. A shareholder shall be entitled to share the profits generated by the Company (dividend), which were allocated by the General Meeting for their distribution. A shareholder shall not be under the obligation to refund to the Company the dividends obtained in good faith. The entitlement to dividend may be subject to individual transfer from the day

when the General Meeting decides on allocation of the profit to the shareholders. The relevant date for determining the person entitled to exercise the right to dividends shall be determined by the General Meeting which shall decide to distribute the profits pursuant to section 178, subsection 5 of the Commercial Code. The terms, place and the date of payments of the dividends shall be determined by the General Meeting which shall decide to distribute the profits pursuant to section 178, subsection 6 of the Commercial Code.

7. The Company may not return shareholders their contributions. Following the winding up of the Company with the liquidation the shareholders shall be entitled to share liquidation balance in the amount stipulated by the law. The right to share the liquidation balance may be subject to individual transfer as of the date when the proposal for the distribution of the liquidation balance was approved.

CHAPTER III

Bodies of the Company

Article VII BODIES OF THE COMPANY

The following shall be the bodies of the Company:

- a) General Meeting,
- b) Board of Directors,
- c) Supervisory Board,
- d) Audit committee

Article VIII GENERAL MEETING

1. The General Meeting is the highest body of the Company with various spheres of activity and mainly the following:
 - a) changing of the Statutes
 - b) deciding on increase and reduction of the nominal capital, on increase of the nominal capital pursuant to §210 Commercial Register as authorised by the Board of Directors; and on issuance of priority bonds or exchangeable bonds
 - c) deciding on cancelling of the Company and change of its legal form
 - d) election and removal of members of the Supervisory Board except members of the Supervisory Board elected and removed pursuant to § 200 Commercial Code
 - e) adopting of an ordinary individual financial statement and extraordinary individual financial statement, deciding on allocation of earnings or reimbursement of losses, determining of bonuses
 - f) deciding on termination of trading Company's shares on the stock exchange and deciding that the Company ceases to exist as a public joint-stock company
 - g) deciding on the change of securities registered electronically to paper securities and vice versa

- h) deciding on adopting a business transfer contract related to the whole business or its part
 - i) adopting of remuneration rules for members of the Supervisory Board and contracts of members of the Supervisory Board
 - j) deciding on further issues put in charge of the General Meeting by these Statutes or legal regulations
2. The General Meeting shall be attended by the members of Board of Directors, Supervisory Board, or third parties invited by the Company's body, the member of the Company's body or those shareholders who convened the General Meeting. The General Meeting may decide on attendance of other persons at the General Meeting or may decide that third parties currently attending the General Meeting may no longer attend the General Meeting. The general Meeting is not available for the public, unless otherwise stated in this section. The shareholders may exercises their rights at the General Meeting also through the proxies who shall submit notarized powers of proxy specifying the scope of authorization. The signature of the proxy must be legally authenticated. Power of proxy must be submitted for documentation purposes to the person responsible for entries into the Attendance List. The person representing the shareholder based on the written power of proxy shall be obliged to remain silent on information gained at the General Meeting.
 3. The General Meeting is convened by the Board of Directors unless the law provides otherwise. The Ordinary General Meeting is held once a year at least 6 months after the previous accounting period is completed. If necessary for the Company's sake or defined by the law, the General Meeting can be convened at any time. The General Meeting can be convened by any member of the Board of Directors. The duty to convene the General Meeting is defined by the law. If the Board of Directors has not agreed to convene in short order or the Board of Directors has not been able to assemble for a longer period, the General Meeting can be convened.
 4. The General Meeting can be convened at any time if considered necessary by the Board of Directors and in cases defined by a legal regulation. The Extraordinary General Meeting is convened by the Board of Directors mainly if:
 - a) the previous General Meeting decides to do so;
 - b) requested by one or more shareholders pursuant to § 181 Section 1 and Section 6 Commercial Code who can prove the date is at least three months before the expiration of the period an Extraordinary General Meeting can be convened pursuant to § 181 Section 2 Commercial Code by holders of shares whose nominal value is at least 5 % of the nominal capital of the Company. The request shall be submitted in writing with given reasons;
 - c) discovered that the loss of the Company has exceeded 1/3 of the nominal capital or it is expected to happen in the near future;
 - d) the term in office of a member of the Supervisory Board elected by the General Meeting has ended and a new member can be elected no later than three months afterwards;
 - e) the Company is insolvent for more than three months.

5. Extraordinary General Meeting shall be convened by the Supervisory Board as per the reason stated in the article XII section 1. Accordingly, as per the clause of the section 3 last sentence of this article, the General Meeting may be convened also by the member of the Supervisory Board.
6. The General Meeting is convened by the Board of Directors via a notice of summoning of the General Meeting. The notice of summoning must be published in a national periodical with stock market reports no later than 30 days before the General Meeting is held. The Company publishes the notice of summoning of the General Meeting via press in all contract states of the Agreement on the European Economic Area no later than 30 days before the General Meeting is held. The notice of summoning of the General Meeting must contain all requirements defined by legal regulations. The proposal on the change of the Statues; names of candidates suggested to become members of Company's bodies if such elections are on the agenda of the General Meeting; financial statement; full text copies of documents and proposed resolutions of the General Meeting that are about to be discussed at the General Meeting; templates of the Power of Attorney that can be used when voting at the General Meeting by proxy; data and documents that the Company is obliged to publish no later than 30 days before the General Meeting is held must be at disposal at the registered office of the Company within a given period before the General Meeting is convened. The same period applies to publishing of the given documents and information on the website of the Company, continuously until the General Meeting is held. Any shareholder has the right to require copies of proposed Statues and a list of persons suggested to become members of individual bodies of the Company including suggested offices be sent to his/her address at his/her own expenses and risk. Item 4 letter b) of this article shall apply also when organising an Extraordinary General Meeting pursuant to this item.
7. The shareholder or the shareholders requesting the convocation of the Extraordinary General Meeting pursuant to section 4, indent b) hereof shall be obliged to submit with the request also following:
 - a) The shareholder – legal entity shall present an original of the Commercial Register entry or an officially certified copy of such entry, not older than 60 days; if the shareholder is not registered in the Register, he or she shall present an original or an officially certified copy of a current document proving his or her legal subjectivity, including a document appointing another person to act on behalf of the shareholder – legal entity;
 - b) an original or an officially certified copy of an account statement of a person owning electronically registered securities of one or more shareholders registered at the Central Securities Depository or a member of the Central Depository which proves that the given shareholder(s) own(s) the respective securities, whose nominal value is min. 5 % of the nominal capital later than three months after the period for convening of the Extraordinary General Meeting pursuant to § 181 Sec. 2 Commercial Code;
 - c) original or officially authenticated copy of the power of proxy with officially authenticated signature of the proxy, if the shareholder exercises his/her rights through the proxy.
8. In case of convocation of the Extraordinary General Meeting pursuant to section 4, indent b) of this article, the Board of Directors shall convene General Meeting so that it is held no later than 40 days from the receipt of the request by the Board. The Board of Directors shall not be entitled to change the proposed agenda of the General Meeting. The Board of

Directors shall be entitled to change the proposed agenda of the General Meeting only with the consent of the persons who requested convocation of the General Meeting. The General Meeting shall be obliged to discuss the proposed matters.

9. The shareholder shall attend the General Meeting at his/her own expense.

Article IX

GENERAL MEETING – ORGANIZATIONAL ISSUES

1. The Board of Directors shall ensure the organizational issues concerning the proceedings of the General Meeting unless the General Meeting was convened by the Supervisory Board, member of the Company's body or it was convened by the shareholders (shareholder) based on the authorization by the court. In such case, the organizational issues concerning the proceeding of the General Meeting shall be ensured by the Supervisory Board, the member of the Company's body or the shareholders (shareholder) who convened the General Meeting, if the Supervisory Board or the said member of the Company's body or the said shareholders (shareholder) do not come into an agreement with the Board of Directors that the General Meeting shall be organizationally ensured by the Board of Directors. If the court, authorizing the convocation of the General Meeting by the shareholders (shareholder), appoints the chairman of the General Meeting, who shall lead the General Meeting until election of its chairman, the said shareholders (shareholder) shall ensure the attendance led by so appointed chairman of the General Meeting. Provisions on temporary chairman shall be applied mutatis mutandis on the so appointed chairman.
2. The General Meeting is usually held at the registered office of the Company or any other convenient location chosen by the Board of Directors or the body, member of the body or the shareholders of the Company the General Meeting was convened by.
3. The decisive day for exercising shareholder's rights is the third day before the General Meeting is held
4. Registration of shareholders on the attendance list is provided by the subject the General Meeting was convened by pursuant to the law and these Statutes. Shareholder's right to attend the General Meeting is checked according to the list of securities owners at the respective Central Securities Depository published not until the decisive day pursuant to item 3 of this article; or by other reliable means pursuant to relevant legal regulations provided these regulations enable to check the right of a shareholder to attend the General Meeting by other means. When registering at the General Meeting, shareholders present all documents in Slovak or Czech language. Documents written in other rather than Slovak or Czech languages must be translated by a certified translation office into Slovak language. Original documents written in foreign languages must be submitted along with certified copies in the Slovak language. Any documents officially certified outside the area of the Slovak and Czech Republic related to the attendance and shareholder's rights at general assemblies of the Company must be superlegalised or added an "Apostille" clause pursuant to the Hague Agreement on cancelation of requested higher certification of foreign documents if not determined by an international contract the Slovak Republic is bound by otherwise.

5. The Attendance List of the shareholders must contain business name of the Company including the date of the convocation of the General Meeting. The correctness of the Attendance List shall be confirmed by the signatures of the Chairman of the General Meeting and the Minutes clerk, elected in accordance with the Articles of Association. The Attendance List of the shareholders shall include, but not be limited to following data:
 - a) if the shareholder is legal person - its business name and the registered office and business identification number if granted,
 - b) if the shareholder is natural person - its name, surname and the permanent address,
 - c) sum of nominal values of the shares entitling shareholder to vote, eventually the information that the shares are not subject to voting,
 - d) in case the shareholder grants a power of proxy authorizing another person to represent him/her at the General Meeting, the Attendance List shall contain identification data of the proxy to the extent provided in indent a) or b) of this section.
 - e) Nominal value of the shares entitling the shareholder to vote, eventually information that the shares are not subject to voting.

Persons voting or attending the General Meeting by electronic means shall be deemed to be present shareholders for the purposes of entering the shareholders into Attendance List. The Company shall register such persons (shareholders) into the Attendance List.

6. The shareholder – natural person shall submit at the presentation his/her identification card. When registering for the General Meeting, the shareholder – legal entity shall present an original of the Commercial Register entry or similar register entry or an officially certified copy of such entry, not older than 90 days; if the shareholder – legal entity is not registered in such register, he or she shall present an original or an officially certified copy of a current document proving his or her legal subjectivity. The shareholder – legal person shall also submit at the presentation original or legally authenticated copy of the document authorizing the person to act on behalf of the shareholder – legal person. Natural person acting on behalf of the shareholder – legal person shall submit at the presentation also his/her own identification card. The proxy of the shareholder – natural person shall submit at the presentation in addition to above stated documents also the power of proxy with legally authenticated signature of the shareholder and his/her own identification card. In addition to the above mentioned documents, the agent must present a Power of Attorney with an officially certified signature of the shareholder and an original or an officially certified copy of his or her Commercial Register entry, not older than 90 days; unless the agent – legal entity is registered in such register, the agent must present an original or a certified copy of a current document proving his or her legal subjectivity. If the legal person is not registered in such register, he/she shall submit original or legally authenticated copy of the current document proving his/her legal capacity. The proxy – legal person shall submit at presentation also the original or legally authenticated copy of the document authorizing the person to act on behalf of the proxy – legal person. Natural person acting on behalf of the proxy shall submit his/her own identification card.
7. Prior to proceedings of the General Meeting the person entitled to chair the General Meeting up to the election of the chairman of the General Meeting (hereinafter referred to only as 'temporary Chairman') shall announce the number of the present votes and their share to the registered capital. Temporary Chairman shall have up to the election of the Chairman of the General Meeting the same rights and obligations as the Chairman of the General Meeting

8. Following opening of the General Meeting, the temporary Chairman shall present a proposal for the election of the Chairman of the General Meeting, Minutes clerk, two verifiers of the Minutes and the necessary amount of Votes tellers. Voting shall be made at first en bloc with respect to all the candidates proposed by the temporary Chairman. If the candidates fail to be elected as provided above, the temporary Chairman may order a separate voting on certain candidates and upon the proposal of the shareholders or the person convening the General Meeting, the candidates may be even replaced by the General Meeting.
9. The Minutes from the General Meeting must include, but not be limited to following:
 - a) Business name and the registered office of the Company,
 - b) the venue and the time of the General Meeting,
 - c) the name of the Chairman of the General Meeting, the Minutes clerk, Verifiers of the Minutes and Votes tellers,
 - d) a brief description of the discussion on the individual items on the agenda of the General Meeting,
 - e) the decisions of the General Meeting together with the respective votes cast on each item of the agenda of the General Meeting,
 - f) A content of the protest, if any, in relation to the decision of the general meeting, lodged by any shareholder, member of the Board of Directors or the Supervisory Board.

If requested by any shareholder at the General Meeting, the minutes of the General Meeting must include requirements pursuant to letters a) to f) of this item and specify the number of shares corresponding to votes cast in elections, proportion of the nominal capital corresponding to the votes cast in election, total number of votes cast in elections and total number of "Aye" or "No" votes corresponding to individual proposed resolutions including information about the number of shareholders that abstained from voting.

Attached to the Minutes there shall be the proposals and statements submitted at the General Meeting for their discussion and the Attendance List.

10. The Board of Directors shall have minutes of the General Meeting written down no later than 15 days after the General Meeting was held. The minutes must be signed by the keeper of the minutes, the Chairman of the General Meeting and two elected verifiers of the minutes. Shall a notarial record be required pursuant to legal regulations, the Board of Directors is obliged to have a notarial record written in accordance with the minutes pursuant to item 9 of this article. If the notarial record describes the whole General Meeting in details and all requirements defined by legal regulations and these Statutes, it can replace the minutes pursuant to item 9 of this article. Minutes of all General Meetings must be archived at the Company as long as it exists. Shall a company without a lawyer cease to exist, the minutes must be sent to the respective state archive. The Company shall publish all election results on its website, if available, no later than 15 days after the General Meeting is held.
11. Each shareholder may request the Board of Directors to issue copy of the Minutes or its part together with attachments of the same. The Board of Directors shall be obliged to send such copy upon request of the shareholder without undue delay to the addressed

provided by the shareholder or to provide him with such copy by other means according to the agreement with the shareholder. Otherwise the Board of Directors shall be obliged to provide the shareholder with such copy at the registered office of the Company. The cost of preparation and sending copy of the Minutes shall be borne by the shareholder to the extent of his/her request.

Article X

DECISION MAKING OF THE BOARD OF DIRECTORS

1. The General Meeting shall make decisions by voting upon the motion of its Chairman. If there are more proposals to be voted upon, the Chairman of the General Meeting shall decide the order thereof. The votes shall be cast by delivery of the voting ballot or by any other suitable manner defined by the person who convened the General Meeting or by other persons who shall ensure organizationally the proceeding of the General meeting.
2. The votes cast shall be advised by the Votes tellers to the Chairman of the General Meeting and to the Minutes Clerk. In case that the Votes tellers are not yet elected, the temporary Chairman of the General Meeting or a person who shall convene the General Meeting or the persons who shall organizationally ensure proceeding of General Meeting shall appoint the temporary Vote tellers.
3. General Meeting shall take decisions by majority of votes of the members attending the meeting. Preparation of the Minutes shall be required in cases provided by law. Decisions of the General Meeting concerning amendments to the articles of association, increase or reduction of the registered capital, authorization of the board of directors to increase the registered capital, issuance of priority or convertible bonds, winding-up of the company or change of its corporate form, shall require a two-thirds majority of votes of the attending shareholders, while such decisions must be recorded in a notarial deed. The two-thirds majority of votes of the attending shareholders shall also be required for a decision of the General Meeting to discontinue the trading of the shares of the Company at a stock exchange, for removing of the members of the Supervisory Board from the office, for a decision of the General Meeting to transform the public joint stock company to private joint stock company. To amend the Articles of Association concerning the mailing of the votes and concerning the conditions of attendance at the General Meeting and voting of the shareholder at the General Meeting by electronic means, the three-fifths majority of the votes of all shareholders shall be required.
4. If the Company consists of only one shareholder, the authority of the General Meeting shall be exercised by this shareholder. General Meeting, authority of which is exercised by single shareholder, may be convened anytime. Decision of single shareholder made while exercising the authority of the General Meeting must have written form and must be undersigned. Notarial deed shall be required in cases provided by law.

Article XI

BOARD OF DIRECTORS

1. The Board of Directors shall be the statutory body of the Company. The Board of Directors shall be authorized to act on behalf of the Company in all the matters and shall represent the Company in front of third parties, court and other authorities. It shall manage the operations of the Company, act on its behalf, and decide in all the matters of the Company unless such matters are reserved, by law and by these Articles of Association, to the authority of other bodies of the Company; mainly:
 - a. it carries out business management of the Company;
 - b. it arranges all operational and organizational matters of the Company;
 - c. it executes employers' rights;
 - d. it convenes the General Meeting;
 - e. it carries out the resolutions of the General Meeting;
 - f. it executes the keeping of prescribed accounting records and other book keeping, business files and other documents of the Company;
 - g. it appoints and removes the proxy (procuress), it appoints other written power of attorney;
 - h. it submits to the General Meeting proposals for approval, mainly:
 1. proposals for modifications of statutes;
 2. proposed increase and reduction of the nominal capital and issuance of priority bonds or exchangeable bonds
 3. a proposal for approving individual financial statements, extraordinary individual financial statements, proposal for distribution of created profit including the proposal for the amount and way of paying out the dividends and royalties, and proposal for coverage of losses;
 4. a proposal for winding-up of the Company.
 - i. it submits a proposal for winding-up the Company to the Supervisory Board for comments, and a proposal for statutes of the Board of Directors for approval;
 - j. it submits a proposal for an auditor to inspect individual financial statements, extraordinary individual financial statements and consolidated financial statements of the Company to the Supervisory Board for approval;
 - k. it submits to the General Meeting to discuss the following:
 1. the report on the results of the business activities and a state of the property of the Company in the previous year; this report is a part of the annual report written in accordance with the regulations on accounting;
 2. the business plan and the financial budget of a current year with the revision made by the Supervisory Board;
 3. the annual report;
 - l. it takes decision on the amount and the way of remuneration of the managing employees of the Company;
 - m. it appoints and removes the General Director of the Company, directors and other managing employees of the Company;
 - n. it organizes the election of members of the Supervisory Board elected by the employees;
 - o. it submits to the Supervisory Board for approval following proposals:
 - transfers of real estates and liabilities of the Company exceeding 300,000 Euro;
 - significant financial and business transactions, which shall be one-off settlement transactions exceeding 150,000 Euro, as well as repeated settlement transactions of the same or similar char-

- acter within a period of one month, whose cumulative amount exceeds 300,000 Euro;
 - the appointment of an auditor to inspect and extraordinary individual annual financial statements.
 - p. it accepts, modifies and cancels signature rules of the Company.
 - q. has the annual report published, compiles and publishes the consolidated financial statement and consolidated annual report if required from the Company;
 - r. decides on any issues pursuant to the law that need to be adopted by the Board of Directors of the Company;
2. The Board of Directors and the members shall follow the law, these Articles of Association and principles and instructions approved by the General Meeting, while acting. Further adjustments of provisions, scope, authorities and responsibilities of the Board of Directors may be stipulated in the statutes of the Board of Directors.
 3. The Board of Directors shall be composed of six members. Only a natural person may become a member of the Board of Directors.
 4. Members of the Board of Directors shall be elected and removed from the office by the Supervisory Board. The term of office of the members of the Board of Directors shall be five years. Re-election shall be possible.
 5. Voting on removal of the members of the Board of Directors or voting for candidates proposed to be members of the Board of Directors may be carried out individually or in block (en bloc), i.e. if more members of the Board of Directors are proposed to be elected, candidates for members of the Board of Directors may be proposed for individual vote or vote in block (en bloc), and if more members of the Board of Directors are proposed to be removed, members of the Board of Directors may be proposed for removal individually or in block (en bloc). No list of candidates proposed for members of the Board of Directors shall be produced. If more proposals for election and/or removal of member (members) of the Board of Directors, voting for the proposals shall be done consecutively. To settle the order of voting for proposals on election and/or removal of a member (members) of the Board of Directors, Article X, section 1, the second sentence of the Articles of Association shall apply mutatis mutandis. A removal and an election of a member (members) of the Board of Directors may be proposed simultaneously within one proposal.
 6. The Supervisory Board appoints a Chairman of the Board of Directors and a vice-Chairman of the Board of Directors from among the members of the Board of Directors.
 7. Provided that the number of members of the Board of Directors has not dropped below one half, it may co-opt substitute members of the Board of Directors until the closest meeting of the Supervisory Board is held; the execution of function of a substitute member herein shall terminate as of the date of the meeting of the Supervisory Board herein.
 8. A Chairman or any member of the Board of Directors shall convene and lead the meeting of the Board of Directors as necessary, at least once every two months. The notice of the meeting of the Board of Directors shall be done by invitation sent by post, fax or email to members of the Board of Directors and delivered at least three days prior to the date of the meeting. Attached to the notice, there must be specified the date, time, place and agenda of the meeting. If all members of the Board of Directors agree, the requirement of 3 day prior notice may not be met and the meeting may be convened by phone, email or fax message. Any of the members of the Supervisory Board may attend the meeting of the Board of Directors, if he requests for it. The Board of Directors may in-

vite the third persons to the meeting, shall the topic of the discussed agenda require the presence of the third persons.

9. The Board of Directors is quorate with absolute majority of members of the Board of Directors present at the session. Absolute majority of votes of all members of the Board of Directors is required to adopt a resolution of the Board of Directors. A Board meeting can be held and members of the Board can attend this meeting and vote there by means of a conference call, a video conference or another means of communication that enables all members of the Board to hear each other. Resolutions adopted in this way must be written down afterwards.
10. Any decision adopted by the Board of Directors at a Board meeting can be made in a written form or via voting and information technology if necessary; any person participating in voting is considered present. Item 9 of this article applies to the majority of votes required to adopt a decision in this way. Such procedure can be applied only if all members of the Board of Directors have been informed about the situation and absolute majority of all members of the Board of Directors participate in the voting procedure. Written decisions signed by absolute majority of all members of the Board of Directors via electronic mail, fax or any other technological devices are considered valid decisions noted down in minutes in accordance with item 11 of this article.
11. The minutes shall be written down containing all the significant figures of the agenda of meetings of the Board of Directors including the results of voting and exact wording of all taken decisions. The minutes shall contain also the decisions taken in accordance with the proceedings under section 10 herein in the time from the meeting of the Board of Directors held as last. The minutes shall be undersigned by a Chairman of the Board of Directors and a person that recorded the minutes.
12. In all the matters two members of the Board of Directors shall always act together on behalf of the Company and undersign documents binding upon the Company
13. The execution of function of a member of the Board of Directors shall not be deputed.
14. The ban on competitive conduct is fully valid for every member of the Board of Directors according to provisions of the Commercial code.
15. Agreements on execution of function of a member of the Board of Directors shall be approved by the Supervisory Board. Agreements herein must be in writing.
16. Remuneration rules for members of the Board of Directors and agreements on execution of function of a member of the Board of Director shall be approved by the Supervisory Board.

Article XII

SUPERVISORY BOARD

1. The Supervisory Board shall be the supreme inspection body of the Company. The Supervisory Board shall supervise the exercise of the authorities by the Board of Directors and the Company's business activities. In case relevant discrepancies in Company's finances or other cases occur, and if the interests of the Company so require, The Supervisory Board shall convene the General Meeting. The provisions of Article VIII, section 6 apply to the manner of convocation of the General Meeting *mutatis mutandis*.
2. A member of the Supervisory Board shall be a natural person and may not hold the office of a member of the Board of Directors or proxy (procuress) or any other person entitled to act on behalf of the Company registered in the Commercial Register, at the same time.

3. The Supervisory Board shall be entitled to inspect, at any time, any accounting documents, files and records concerning the activities of the Company and to assess the state of the Company. At the same time, it controls and submits the conclusions and recommendations to the General Meeting concerning mainly:
 - a. a fulfilment of tasks given to the Board of Directors by the General Meeting;
 - b. following of the Articles of Association of the Company and legal regulations within the Company's activities;
 - c. economic and financial activities of the Company; accounting, documents, accounts, state of Company's property, its liabilities and claims.
4. The Supervisory Board checks proposals to allocate earnings or reimburse losses and financial reports that the Company is obliged to make pursuant to a specific regulation. The Supervisory Board is obliged to inform the General Meeting about the results of such examination procedure.
5. The Supervisory Board shall be composed of nine members;
6. The term of office of the members of the Supervisory Board shall be five years. Re-election shall be possible. Members of the Supervisory Board shall be elected and removed by the General Meeting. In accordance with the provision in the section 200, subsection 2 of the Commercial Code, another method of election of member of the Supervisory Board shall be used than stipulated therein. Voting on removal of the members of the Supervisory Board or voting for candidates proposed to be members of the Supervisory Board may be carried out individually or in block (*en bloc*), i.e. if more members of the Supervisory Board are proposed to be elected, candidates for members of the Supervisory Board may be proposed for individual vote or vote in block (*en bloc*), and if more members of the Supervisory Board are proposed to be removed, members of the Supervisory Board may be proposed for removal individually or in block (*en bloc*). No list of candidates proposed for members of the Supervisory Board shall be produced. If more proposals for election and/or removal of member (members) of the Supervisory Board, voting for the proposals shall be done consecutively. To settle the order of voting for proposals on member (members) of the Supervisory Board, Article X, section 1, the second sentence of the Articles of Association shall apply *mutatis mutandis*. A removal and an election of a member (members) of the Supervisory Board may be proposed simultaneously within one proposal.
7. If the Company has more than 50 full-time employees at the moment of voting, 2/3 of members of the Supervisory Board is elected and removed by the General Meeting and 1/3 is elected and removed by the employees of the Company.
8. A chairman and a vice-Chairman of the Supervisory Board shall be elected and removed by members of the Supervisory Board from among themselves.
9. Meetings of the Supervisory Board are convened and chaired by its Chairman or any authorised member of the Supervisory Board, at least once per six months. Resolutions of article 11 items 9 to 11 of these Statutes apply to the convening procedure, the meeting of the Supervisory Board itself, the quorum and the process of decision making.
10. Any meeting of the Supervisory Board shall be recorded in minutes with all crucial information including voting results and exact wording of all decisions. The minutes must also contain all decisions adopted by any procedure mentioned in item 9 of this article related to article XI item 10 after the previous meeting of the Supervisory Board.
11. The Supervisory Board shall take into consideration the proposal of the Board of Directors to wind-up the Company.
12. The Supervisory Boards approves:

- a. proposal of the Board of Directors for an auditor to inspect individual financial statements, extraordinary financial statements and consolidated financial statements;
 - b. statutes of the Board of Directors;
 - c. transfers of real estates and liabilities of the Company exceeding 300,000 Euro
 - d. proposals submitted by the Board of Directors on
 - significant financial and business transactions, which shall be one-off settlement transactions exceeding 150,000 Euro, as well as repeated settlement transactions of the same or similar character within a period of one month, whose cumulative amount exceeds 300,000 Euro;
 - appointment of an auditor to inspect individual financial statements and extraordinary individual financial statements.
13. An execution of function of a member of Supervisory Board shall not be deputed.
 14. Provisions of the Commercial Code on ban on competitive conduct shall fully apply to the members of the Supervisory Board.
 15. Agreements on execution of function of a member of the Supervisory Board shall be approved by the General Meeting. Agreements herein must be in writing.
 16. Remuneration rules for members of the Supervisory Board shall be approved by the General Meeting.
 17. Reasonable and documented expenses incurred in connection with the performance of the duties of the Supervisory Board shall be borne by the Company.
 18. The Supervisory Board elects and removes members of the Board of Directors and appoints the Chairman and Vice Chairman of the Board of Directors.
 19. The Supervisory Board approves remuneration rules for members of the Board of Directors and agreements on execution of function of members of the Board of Directors.

Article XIIA

AUDIT COMMITTEE

1. The Audit Committee shall compose of two members elected and removed by the General Meeting based on the proposal of the Board of Directors or the Company's shareholders. The term of office of elected members of the Audit Committee shall be 5 years. The members herein may be re-elected. Voting on removal of the members of the Audit Committee or voting for candidates proposed to be members of the Audit Committee may be carried out individually or in block (en bloc), i.e. if more members of the Audit Committee are proposed to be elected, candidates for members of the Audit Committee may be proposed for individual vote or vote in block (en bloc), and if more members of the Audit Committee are proposed to be removed, members of the Audit Committee may be proposed for removal individually or in block (en bloc). If more proposals are submitted for election and/or removal of a member (members) of the Audit Committee, votes are carried out consecutively. Voting on the proposals to elect and/or remove a member (members) of the Audit Committee is carried out in the order as the proposals were submitted; in case the proposals for election and/or removal of a member (members) of the Audit Committee were submitted at the same time, the order of voting for the proposals shall be made upon a decision of a Chairman of the General Meeting. A removal and an election of a member (members) of the Audit Committee may be proposed simultaneously within one proposal.

2. At least one member of the Audit Committee must fulfil the condition of professional experience and independence according to the special regulation.
3. A member of the Audit Committee may resign from his function. The date of resignation as a member of the Audit Committee comes into effect as of the day a written notice of resignation from the function is delivered in the Company; if a member of the Audit Committee resigns from his function during the General Meeting, the resignation comes into effect immediately.
4. The Audit Committee:
 - a. monitors the completion of financial statements and compliance with the special regulations;
 - b. monitors the efficiency of internal audit and risk management system in the Company;
 - c. monitors an audit of individual financial statements and an audit of consolidated financial statements;
 - d. reviews and monitors an independence of an auditor, and especially services provided by an auditor according to the special regulations;
 - e. recommends an auditor to be approved for audit execution for an accounting unit;
 - f. sets the day for auditor when his solemn declaration on independence shall be submitted.
5. Meetings of the Audit Committee are held as necessary, however, at least once every six months. Any member of the Audit Committee may convene meetings, usually, to be held in the registered office of the Company. Notices of meeting shall be delivered no later than five days prior to a meeting and shall inform on a place, a date, an hour and an agenda of the meeting. If both members of the Audit Committee agree, a meeting may be convened also verbally or by other manner.
6. The minutes shall be written down on the agenda of the meeting of the Audit Committee, and shall be undersigned by both members of the Audit Committee.
7. Approvals of both members of the Audit Committee shall be required to take any decision of the Audit Committee.
8. In emergency cases, when no delay is possible, a decision may be taken by the Audit Committee by per rollam, in a written announcement by members of the Audit Committee. This decision is valid only when both members of the Audit Committee agree in written form. A written form shall be in this case also telefax messages and email messages. In a forthcoming meeting of the Audit Committee, a decision taken by per rollam shall be written down to the minutes.
9. Members of the Audit Committee shall act in his function with due diligence, keeping confidentiality on confidential data and figures, disclosure of whose may cause damage to the Company.
10. Remuneration rules and agreements on execution of function of members of the Audit Committee shall be approved by the Supervisory Board.

Chapter IV

Increase and reduction of the registered capital and amendments of the Articles of Association

Article XIII

MANNERS OF INCREASE AND REDUCTION OF THE REGISTERED CAPITAL

1. Any decision on the increase or reduction of the registered capital of the Company shall be passed by the General Meeting by 2/3 majority of votes of all shareholders attending the General Meeting.
2. The nominal capital can be increased pursuant to the Commercial Code by subscribing of new shares, using of retained earnings or via funds financed from earnings whose use is not specified by the law, via Company's own financial sources posted in a financial report of Company's equity, via a combined increase of the nominal capital or any other means allowed by the law. If the General Meeting decides to issue exchangeable bonds or priority bonds, it means it decides to increase the nominal capital that shall be performed pursuant to rights of the share issuance procedure related to exchangeable bonds or rights of the share subscription procedure related to priority bonds (conditional increase of the nominal capital). The value of the nominal capital increase shall not exceed one half of the nominal capital of the Company at the time the General Meeting adopts the decision on a conditional increase of the nominal capital.
3. The reduction of the registered capital may be carried out in accordance to the Commercial Code, by reducing the nominal value of the shares or by a withdrawal of one part of shares from the circulation.
4. The resolution of the General Meeting to increase or reduce the registered capital must be executed as a Notarised Deed. Any decision on the increase or reduction of the registered capital shall be filed into the Collection of Deeds of the competent Companies Register, and the request of registration of the increased or reduced registered capital into the competent Companies Register shall be filed by the Board of Directors in accordance with the provisions of the Commercial Code.
5. If the registered capital is increased through contributions in cash, its current shareholders shall have pre-option rights to the subscription of shares on the increase of the registered capital, in proportion between the nominal value of the shares held thereby and the registered capital prior to its increase. This right may be limited or excluded only by a decision of the General Meeting on the increase of the registered capital, if necessary due to the relevant interests of the Company. Pre-option rights herein may be subject to an individual transfer as of the day when the General Meeting decides on the increase of the registered capital.

Article XIV

AMENDMENTS TO AND MODIFICATIONS OF THE ARTICLES OF ASSOCIATION

1. The General Meeting shall decide on any amendments to and modifications of the Articles of Association by 2/3 majority of votes of all shareholders attending the General Meeting. The modifications of these Articles of Association relating to the implementation of correspondence voting and the modification of these Articles of Association relating to establishing and stipulating the conditions of the attendance in the General Meeting and shareholders' voting at the General Meeting via electronic appliances, the 3/5 majority of votes of all shareholders attending the General Meeting is required. If the decision taken by the General Meeting results in the modification of the content of these Articles of Association, the decision herein is taken as a modification of the Articles of Association, if taken according to the law and the Articles of Association required for the approval of amendments. After each modification of the Articles of Association, the Board of Directors shall issue, without undue delay, the full version of

the Articles of Association, whose completeness and correctness is in its responsibility hereof.

2. A brief content of points proposed within the amendments to and modifications of the Articles of Association shall be stated in the notice of the General Meeting; the full version of the Articles of Association herein must be available for inspection in the registered office within the period requested for convening the General Meeting. The Board of Directors shall assure that each shareholder obtains the full version of the Articles of Association herein at the registration to the list of shareholders attending the General Meeting.
3. If the amendments to and modifications of the Articles of Association result in a change of any data registered in the Companies Register, the Board of Directors must file an application for the entry of such changes into the Companies Register without undue delay within the period stated by the law.

Chapter V

Finance of the Company

Article XV FISCAL YEAR

The fiscal year of the Company shall coincide with the finance year; it shall start on 1 November and end on 31 October.

Article XVI ACCOUNTS KEEPING

1. The Company shall keep its accounts in the prescribed manner and in compliance with the law. The Board of Directors shall be liable for due keeping of the accounts and shall provide individual financial statements, extraordinary individual financial statements and consolidated financial statements for the audit by an auditor approved in accordance with Article XI, section 1, indent j) and Article XII, section 12 of these Articles of Association.
2. The Company shall establish an information system prescribed by the law and shall disclose information on its operations to authorities stipulated by these regulations.
3. The Company shall publish the selected data from the individual financial statements, extraordinary individual financial statements and consolidated financial statements in accordance with the applicable law, and shall file the financial statements and the annual report together with the auditor's reports with the Collection of Deeds at the court of competent registration jurisdiction.

Article XVII ESTABLISHMENT AND USE OF THE RESERVE FUND

1. The Reserve Fund of the Company established obligatorily within the rules of the Commercial Code shall serve solely to cover the losses of the Company, unless a specific statute provides otherwise.

2. Upon its incorporation, the Company had a Reserve Fund of SKK 24, 931,000 (in words: twenty four million nine hundred thirty-one thousand Slovak Crowns).
3. The Reserve Fund was increased:
 - a. by the calculation of a starting property balance and a contribution of sources from the Ministry of national defence for constructing the CO shield in the amount of SKK 10, 825,754.74 (in words: ten million eight hundred twenty-five thousand seven hundred fifty-four and 74/100 Slovak Crowns);
 - b. by covering a premium of SKK 234 per share based on increased common stock equity in the amount of SKK 60,719,958 (in words: sixty million seven hundred nineteen thousand nine hundred and fifty eight Slovak Crowns).
4. Each year the Company shall replenish the Reserve Fund by an amount of 10 % of the net profit as calculated in the individual financial statement, until the Reserve Fund shall have achieved a level equal to 20% of the registered capital.
5. The General Meeting shall resolve any other replenishment to the Reserve Fund according to the section 1 and 2, in excess of the limit in the section 2 of this Article.
6. The General Meeting shall decide on the use of the Reserve Fund.

Article XVIII DISTRIBUTION OF PROFITS

1. The Company shall use its profits preferably to pay the taxes to the State.
2. After the payment of the taxes the profits shall be used preferably for the purpose of mandatory replenishment to the Reserve Fund.
3. Further allocations of earnings are to be decided by the General Meeting with regard to sufficient reserves and planned development of the Company. The Company can not allocate net profit or other Company's financial sources among shareholders if Company's equity defined by the financial statement is or would be lower than the value of the nominal capital including a reserve fund or any other funds created by the Company that can not be used to pay out shareholders reduced by a value of potential outstanding nominal capital if this value is not included in assets of a balance sheet pursuant to a separate law.
4. As long as the Company exists, shareholders can be allocated net profit only:
 - a) which is decreased by allocations from a reserve fund or any other fund that created by the Company pursuant to the law; and by outstanding loss from previous periods;
 - b) which is increased by retained earnings from previous periods and funds consisting of earnings whose use is not defined by the law.
5. When deciding on allocation of earnings among shareholders, the General Meeting is entitled to have dividends paid out to shareholders and decide about the following:
 - a) value of bonuses for members of Company's bodies;
 - b) increase of the nominal capital of the Company;
 - c) next allocation from the reserve fund or other funds of the Company;
 - d) that the net profit or part of the net profit shall remain retained.

The General Meeting is entitled to allocate retained earnings from previous periods in accordance with this item. The same applies to other Company's own sources that can be paid out to shareholders in accordance with legal regulations

Article XIX ESTABLISHMENT OF FURTHER FUNDS

The Company may establish, in accordance with the law and with internal regulations approved by the Supervisory Board, other funds and may replenish such other funds from its net profits, the final amount of which shall be subjects to an approval of profit distribution to be taken by the Annual General Meeting. The use of such funds shall be governed by internal regulations approved by the Supervisory Board.

Chapter VI

General provision

Article XX

ACTING ON BEHALF OF THE COMPANY AND SIGNING ON BEHALF OF THE COMPANY

1. Two members of the Board of Directors shall always act on behalf of the Company and undersign documents binding upon the Company.
2. Signing on behalf of the Company shall be executed as follows: the signatories shall attach their signatures to the name of the Company, either printed or written down, and to the names and titles of such signatories.

Article XXI

PUBLISHING OF FACTS STIPULATED BY THE LAW AND BY THESE ARTICLES OF ASSOCIATION

1. The obligation to publish data defined by the Commercial Code is considered fulfilled as long as the data are published in a Commercial bulletin. A notice of summoning of the General Meeting and other issues that must be announced pursuant to these statutes shall be published at least in one national daily with stock exchange reports or announced in another way if required and/or allowed by relevant legal regulations.

Article XXII

WINDING – UP AND DISSOLUTION OF THE COMPANY

1. A decision to wind up the Company shall be taken by the General Meeting. The dissolution of the company may be executed with or without the liquidation.
2. The Company shall be winded-up without the liquidation, if:
 - a. the registered capital is transferred to the legal representative;
 - b. the Company was winded-up by the decision of the General meeting or the Court and, at the same time, has no property;
 - c. the application to bankruptcy order was removed due to the insufficient property or the bankruptcy was removed due to the fact that the property of the bankrupts is not sufficient to cover the expensed and fees of the Trustee in bankruptcy, or after completing the bankruptcy proceedings, no company property is left;
 - d. it is set by the applicable law.
3. The liquidation shall be required, if:
 - a. the General meeting took a decision on the winding-up with liquidation;

- b. the Court ordered the winding – up and liquidation of the Company due to the reasons stipulated by the law;
 - c. after completing the bankruptcy proceedings, there was the property left, except for the case when the bankruptcy was removed due to the fact that the company property is not sufficient to cover the expenses and fees of the Trustee in bankruptcy;
 - d. it is set by the applicable law.
4. If the Company is winded-up with liquidation, the General meeting shall appoint a liquidator upon the proposal of the Board of Directors.
 5. The Company is winded-up on the date of the deletion from the Companies Register.

Article XXIII

RELATIONS WITHIN THE COMPANY

1. The law in force shall govern the incorporation, the legal relations and the winding-up of the Company, as well as the relations within the Company arising out of employment, and the relations arising out of the health insurance and social security of the employees.
2. The disputes, if any, between the shareholders and the bodies of the Company, between the bodies and their members and also the disputes between the shareholders, which are pertinent to their participation in the Company, shall be settled preferably by amicable agreement. If no amicable settlement may be achieved, such dispute shall be decided by the court of competent commercial jurisdiction or by arbitrators, as agreed.

Chapter VII

Final provisions

Article XXIV

FINAL PROVISIONS

1. If any of the provisions of these Articles of Association becomes invalid or controversial, reference shall be made to such legal regulation, which, by its nature and purpose, is as close to the provisions of these Articles of Association, as possible. If no such legal regulation may be used, reference shall be made to common business practice (usage), which is commonly adhered to in the specific type of business.
2. The procedure under this section 1 shall apply also to those relations, which are not contemplated in these Articles of Association.
3. These Articles of Association become valid upon their approval by the General Meeting. The parts of these Articles of Associations, where the changes of the entries in the Companies Register have a constitutive character, become valid on the day of the entry into the Companies Register.

This full wording of the Articles of Association was made out in accordance with the provisions of the section 172, subsection 3 of the Commercial Code and provision of the section 12a of the Code no.477/2008 as amended.

In Demänovská Dolina, on 15.October 2013

.....
Tatry mountain resorts, a.s.
Ing. Dušan Slavkovský
Member of the Board of Directors

.....
Tatry mountain resorts, a.s.
Ing. Jozef Hodek
Member of the Board of Directors