

July 22, 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 **August 22, 2013** at 11:00 in Holiday Village Tatralandia, 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. Decrease of the Company Share Capital and related 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 August 22, 2013 from 09:00 to 10:30.

The record date 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. **August 19, 2013**.

As per item 3 of the program: The Company Board of the Directors proposes a decrease of the Company share capital in accordance with Article 211 of the Commercial Code. In this point of the program the Board of the Directors proposes adoption of the following resolution:

"As proposed by the Board of Directors, the Extraordinary General Meeting hereby approves reduction of the share capital of the Company. This shall reduce financial involvement of shareholders in the capital structure of the Company. The share capital shall be reduced from the current value of 221,337,534 EUR (two hundred twenty-one million three hundred thirty-seven thousand five hundred and thirty-four EUR) by a sum of 174,387,148 EUR (one hundred seventy-four million three hundred eighty-seven thousand one hundred and forty-eight EUR), i.e. the nominal value of one share shall be reduced from 33 EUR to 26 EUR and the new share capital of the Company after the reduction shall comprise 46,950,386 EUR (forty-six million nine hundred fifty thousand three hundred and eighty-six EUR). The share capital shall be reduced by lowering of the nominal value of the shares that form the share value of the Company, i.e. reducing of the nominal value of all (6,707,198) shares with a current value of 33 EUR per share to a nominal value of 26 EUR per share. Financial resources acquired from this reduction of Company's share capital in the amount of 174,387,148 EUR shall be paid out to the shareholders, in the amount of 26 EUR per share. Considering the fact that the share capital of the

Company is paid out in full, the sum of 174,387,148 EUR shall not be used for remission of duty of shareholders to pay off an outstanding part of the issue price. Financial sources acquired from the reduction of Company's share capital comprising 174,387,148 EUR shall be paid out to shareholders who are shareholders of the Company on the day the reduction of the share capital is entered in the Commercial Register. The share capital shall be reduced pursuant to § 213 Sec. 3 Commercial Register by changing of the entry specifying the nominal value of all (6,707,198) shares at the Central Securities Depository of the Slovak Republic (Centrálny depozitár cenných papierov SR, a.s.), with the registered seat at 29. augusta Street 1/A, Bratislava 814 80, Company number: 31 338 976, registered in the Commercial Register of District Court of Bratislava, Section: Sa, Insertion No.: 493/B (hereinafter referred to as "CDCP"). To do so, a value of 7 EUR per share shall be marked at CDCP instead of the current nominal value of one share (33 EUR). The resolution adopted according to this item of the agenda shall change Articles of Association of the Company as well."

As per item 4 of the program: The Company Board of the Directors proposes adoption of a resolution to issue Company bonds in the total face value of EUR 180,000,000.

The announcement on convening the Extraordinary General Meeting will be published on 22/07/2013 in the daily newspaper Pravda. The abovementioned information will be 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 22/07/2013

DRAFT

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

Tatry mountain resorts, a.s.

/as of 22.8.2013

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. operation of cableways
2. operation of the railway transport
3. operation of sauna
4. sport and reconditioning massages
5. operation of ski lifts
6. dining and hospitality services
7. operation of garages and parking areas for motor vehicles
8. lease of movables within the scope of free trade licenses
9. mediation of the business, services and jobs within the scope of the free trade licenses
10. lease of advertising space
11. operation of ski school
12. operation of snowboarding school
13. realization of constructions and their changes
14. realization of simple constructions, small constructions and their changes
15. mediation of the sale, lease and purchase of the real estate (real estate activity)
16. purchase of the goods for the purpose of their resale to the end user within the scope of free trade licenses
17. purchase of the goods for the purpose of their resale to other free traders within the scope of free trade licenses
18. procurement services related to real estate administration
19. advertising, promotional and marketing activity within the scope of the free trade license
20. organization of leisure for children excluding the activity of travel agency
21. exchange offices – purchase of foreign currency for Slovak currency in cash

22. operation of ski slopes
23. maintenance of ski slopes, ground shaping
24. transportation of sport equipment and luggage
25. left luggage office
26. organization of training courses, seminars, educational events, cultural and cultural-social events
27. organization of exhibitions
28. operation of car parking
29. operation of parking areas for motor vehicles aimed for at least five vehicles belonging to other than owner or tenant of the real estate
30. lease of real estate with provision of other than basic services related to the lease
31. provision of data services- internet reading room
32. operation of non-winning slot-machines and music machines
33. reprographic services
34. operation of travel office
35. operation of travel agency
36. tourist guide
37. lease of real estate, consumption goods, computer equipment and technology
38. transport of passengers by road vehicles having up to 9 seats including the driver, excluding taxi services
39. mediation and sale of own outdoor-sport services
40. microwave television broadcasting in hotel and accommodation facilities
41. dissemination of advertisements, commercials by microwave television broadcasting
42. creation of internet and web pages
43. administration of real estate – procurement of services related to administration of real estate
44. advisory, consulting and educational activity within the scope of free trade licenses
45. operation of sports facilities for recovery and reconditioning
46. caring of preschool children
47. accommodation in accommodation facilities with operation of catering services
48. repair and maintenance of sport equipment and tools
49. market research
50. factoring and forfeiting
51. disposal of creative activity results with the consent of the author
52. publishing within the scope of free trade license
53. book-keeping
54. business consulting in marketing area and market research
55. preparation and sale of direct consumption fast cooked meat meals and usual side dishes as well as vegetarian meals
56. sale of meals prepared and delivered from authorized producer in supply points, sweetshops and in delicacies
57. preparation and sale of direct consumption non-alkoholic and industrially produced milk drinks, cocktails, beer, wine and spirits
58. rent of ski equipment
59. activity of accounting, organizational and economic advisors
60. activities of fun parks
61. operation of sport arenas
62. organization of sport events
63. boats rental
64. production, supply and sale of heat.

CHAPTER II

Registered capital

Article III

REGISTERED CAPITAL OF THE COMPANY

1. The Registered capital of the Company equals to EUR 46.950.386 (fourty six million nine hundred fifty thousand three hundred eighty six euro)
2. Registered capital of the Company as to 21.08.2013 comprised of contribution in cash and contributions in kind. 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. Registered capital of the Company since 22.08.2013 comprises of contributions in cash.
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 ero)
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. At the General Meeting any shareholder may vote, ask for information and explanations concerning the matters of the Company or the matters of parties controlled thereby, which are related to the agenda of the General Meeting and make proposals at the General Meeting. 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. If the shareholder keeps the shares on more than one securities account according to special regula-

tion, 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 shareholder's votes shall be determined as a proportion between the nominal value of the shares held thereby and the registered capital of the Company.
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 shall be the supreme body of the Company. Its authorities shall include decisions of the following matters:
 - a) amendments of Articles of Association
 - b) resolutions concerning increase and reduction of the registered capital, authorization of the Board of Directors to increase the registered capital, and issue of bonds
 - c) resolutions on the winding up of the Company and change of corporate form
 - d) election and removal of members of the Supervisory Board of the Company other than those members of the Supervisory Board, who are elected by the employees in accordance with the law,
 - e) approval of the individual financial statements, extraordinary individual financial statements, resolution on the distribution of profits or the coverage of losses including determination of royalties and dividends,
 - f) decisions to discontinue the trading of the shares of the Company on a stock exchange, and decisions to transform the Company from a public joint stock company,
 - g) decisions concerning the conversion of shares issued as paper securities into book-entered securities and vice-versa,
 - h) decisions on approval of the agreement on the transfer of business undertaking or transfer of the part of business undertaking
 - i) approval of remuneration rules of the Supervisory Board and approval of agreements on the term of the office of the members of the Supervisory Board
 - j) decisions on other matters, which are included to the authority of the General Meeting by these Articles of Association or by the law.
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 exercise 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 shall be convened by the Board of Directors, unless otherwise provided by law. Ordinary General meeting shall be convened at least once a year within six months from the end of previous accounting year. If so requested by the interests of the Company and in cases stipulated by law, the General Meeting may be convened anytime. If the Board of Directors fails to decide to convene the General Meeting within undue delay, whereas the law requires to convene the General Meeting, it may be convened by either of the Directors.
4. At any time, if deemed to be necessary by the Board of Directors and in cases stipulated by legal regulations, an Extraordinary General Meeting may be convened. The

Extraordinary General Meeting shall be convened by the Board of Directors in particular if:

- a) so resolved by the previous General Meeting
 - b) so requested in accordance with sec 181, subsection 1 and subsection 6 of the Commercial Code by the shareholder or shareholders providing evidence proving that they have been holding the shares with the nominal value equal to not less than 5% of the registered capital for more than three months prior to the expiration of the term for the convocation of the extraordinary General Meeting by Board of Directors pursuant to section 181 subsection 2 of the Commercial Code in writing including specification of the reason
 - c) the loss of the Company exceeds the value of one-third of its registered capital, or such loss can be anticipated,
 - d) the term of the office of the member of the Board of Directors or member of the Supervisory Board was terminated in a time that would allow a new member of the Board of Directors or Supervisory Board to be elected no later than three months from the date of termination of the term of the office of the previous member.
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 Board of Directors convenes the General Meeting by publishing a notice thereof. Notices of General Meeting shall be published in a daily paper with nationwide coverage providing stock exchange information, whereas the Notice must be published at least 30 days prior to the date of the General Meeting. Notice of General Meeting shall be published by the Company also in media enabling dissemination of the Notice of General Meeting in all contracting countries of the European Economic Area Agreement at least 30 days prior to the date of the General Meeting. The notice of the General Meeting must include all the essentials stipulated by the law. If the agenda of the General meeting contains amendment of the Articles of Associations, the Notice of the General Meeting must include at least the basis of the proposed amendments. The draft amendments to the Articles of Association and, if the General Meeting is supposed to appoint members of the Company bodies, also the names of the candidates to be appointed as members of the bodies of the Company, must be available to the shareholders for their review in the registered office of the Company by the term prescribed for the convocation of the General Meeting.
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) in case of shareholders – legal persons, original or officially authenticated copy of the up to date Extract from the Companies Register or similar register where the shareholder – legal person is registered; if the shareholder - legal person is not registered therein, original or officially authenticated copy of current document proving legal capacity of such person including the document certifying the person entitled to act on behalf of the legal person,
 - b) original or officially authenticated copy of the account statement of the holder of book entered securities of the shareholder or shareholders held by central depositary or by

the member thereof , which must clearly state that the shareholder or shareholders are the holders of the shares at least three months prior to the expiration of the term for the convocation of the Extraordinary General Meeting by the Board of Directors pursuant to section 181, subsection 2 of the 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 shall take place usually at the registered office of the Company or at the premises located in the territorial district of the registered court. A party which shall convene the General Meeting in accordance with the Articles of Association hereof may designate also other locations of the convocation of the General Meeting.
3. The Company shall be entitled, for the period between the relevant date and the date of the convocation of the General Meeting, to provide Central Depository with the order to register putting on hold trading rights of the booked-entered securities issued by the Company
4. Shareholders' entry into the Attendance List shall be organizationally ensured by the party convening the General Meeting in accordance with the law and the Articles of Association

hereof . The right of the shareholder to attend the General Meeting may be verified based on the list of holders of the shares issued by the Company which shall be provided to the Company by the Central Depository or based on the account statement of the shareholder of book-entered securities held by Central Depository or by the member thereof.

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. The shareholder – legal person shall submit at presentation original or legally authenticated copy of up to date extract from the Companies register or similar register. If the shareholder is not registered in such register, he/she shall submit original or legally authenticated copy of current document proving his/her legal capacity. 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. The proxy of the shareholder – legal 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 original or legally authenticated copy of his/her extract from the Companies Register or similar register. 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.

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 provide for the preparation of the Minutes from the General Meeting not later than 15 days from the date of its conclusion. The Minutes clerk, the Chairman of the General Meeting and two elected Verifiers of the Minutes shall undersign the Minutes. The Minutes from the General Meeting shall not have to include information pursuant to section 188, subsection 3 of the Commercial Code, unless the shareholder shall request at the General Meeting to provide such information in the Minutes of the General Meeting. In case the law requires a notarial deed, the Board of Directors must ensure the compliance between the contents of the Minutes under section 9 of this article and the contents of such a notarial deed. The Minutes from each General Meeting shall be archived by the Company throughout its existence. Upon its dissolution without a legal successor, the Company shall deliver such records to the state archive.
Company shall publish the results of voting on its website, if existing, in period of 15 days from the closing of the General Meeting

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:
 - i. proposals for modifications of statutes;
 - ii. proposals for increase and reduction of the registered capital and issuance of bonds;
 - iii. 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;
 - iv. 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:
 - i. 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;
 - ii. the business plan and the financial budget of a current year with the revision made by the Supervisory Board;
 - iii. 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 character 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.
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 invite 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 shall constitute quorum when the meeting is attended by at least the majority of its members. Resolution of the Board of Directors shall pass, if the majority of all members of the Board of Directors agreed.
 10. Resolution of the Board of Directors passed at the meeting of the Board of Directors may be in extraordinary cases substituted by a written form or voting thereon through means of the information technology; voting members are considered as present. Provisions of the section 11 herein shall apply to the majority necessary for passing the resolutions herein. The resolution herein shall pass only if all members have been informed on this and the majority of all members of the Board of Directors have been present.

Telefax messages and email messages shall be also considered as a written form for the use herein.

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 12 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 reviews individual financial statements, extraordinary individual financial statements, consolidated financial statements, and proposal of distribution of profits or coverage of losses, and shall submit results of review to the General Meeting for comments.
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. A meeting of the Supervisory Board shall be convened and led by the Chairman or his deputy from members of the Supervisory Board, as necessary, at least once every six months. To convene meetings, provisions of Article XI, sections 10 and 12 of these Articles of Association shall apply to the meeting of the Supervisory Board, quorum, manners of decision making, and decision making, *mutatis mutandis*
10. The minutes shall be written down containing all the significant figures of the agenda of meetings of the Supervisory Board 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 9 herein in connection with section 12 of Article XI in the time from meeting of the Supervisory Board held as last.
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 General Meeting and appoints a 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 XIA

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 increase of the registered capital may be carried out in accordance with the Commercial Code by subscription of new shares according to Section 203 and following of the Commercial Code, by the conditional increase of the registered capital according to the section 207 of the Commercial Code, by the increase of the registered capital by the Company's property according to the section 208 of the Commercial Code, by the combined increase of the registered capital according to the section 209a of the Commercial Code. These Articles of Association or the General Meeting may authorize the Board of Directors, in accordance with the section 210 of the Commercial Code, to decide on the increase of the registered capital by certain amount, in accordance with the law.
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.
6. The Company may issue bonds not exceeding 50 % 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. The General Meeting, keeping in mind the need for establishment of sufficient reserves and taking into consideration the expected growth of the Company's business, shall resolve any distribution of profits.
4. At any time prior to the winding-up of the Company, the Company shall be allowed to distribute among the shareholders only the net profits distributed in accordance with the section 179 subsection 3 and 4 of the Commercial Code. If the Company made a net profit herein, the General Meeting shall decide mainly on:
 - a. the amount of a part of the net profit to be distributed between the shareholders, while the dividend shall be calculated as a percentage of nominal value of shares, and decide on the day that will be the day of appointing the person authorized to exercise his claim to dividends, the way and the place of payment of dividends;
 - b. the amount of royalties for the members of bodies of the Company calculated as a percentage of the net profit;
 - c. the increase of the registered capital by the Company's property;
 - d. further replenishment of the Reserve Fund or an allocation to other Company's funds;
 - e. whether the net profit or a part of the net profit will not be distributed.

The General Meeting shall be also allowed, in accordance with this section, to reasonably distribute a retained profit from previous periods or any other own sources, if they are available nonborrowed sources, which are possible to use for distribution between shareholders in accordance with the law.

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 data and the facts, the publishing of which is required by the law, shall be published in the Official Notice Board of the Company, unless otherwise stated by the applicable law.
2. The requirement to publish data as stated by the Commercial Code is met by publishing the data herein in the Commercial Bulletin.

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 22.08.2013.

In Demänovská Dolina, on 22 August 2013

.....
Tatry mountain resorts, a.s.
Ing. Bohuš Hlavatý
Chairman of the Board of Directors

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