

ITEM 14: DESISION ON CHANGE TO THE ARTICLES OF ASSOCIATION OF UNIPETROL, a.s.

Resolution :

The General Meeting of UNIPETROL, a.s. decides, pursuant to Article 12 (2) (a) of the Articles of Association of UNIPETROL, a.s. on change to the Articles of the Association of UNIPETROL, a.s., effective as of the day of adoption of this decision, as follows:

ARTICLES OF ASSOCIATION

UNIPETROL, a. s.

I.

General provisions

1.

Business name and registered office

1.1 *UNIPETROL, a.s. (the “Company”) is a business corporation established in the form of joint-stock company.*

1.2 *The business name of the Company is:*

UNIPETROL, a.s.

1.3 *The registered office of the Company is Prague.*

2.

Scope of Company’s Business

2.1 *The scope of business of the Company is as follows:*

- *Provision of services in the field of occupational health and safety*
- *Manufacture, trade and services not specified in the annexes 1 – 3 of the Trade Licensing Act*

2.2 *The fundamental mission of the Company is as follows:*

- *strategic management of development for group of companies directly or indirectly controlled by the Company*
- *coordination and procurement of matters of common interest of group of companies directly or indirectly controlled by the Company*
- *arranging of financing and development of financing systems in companies within the holding*

- *development of human resources and systems of human resources development in companies within the holding*
- *administration, acquisition of and disposal with ownership interests and other assets of the Company, in particular:*
 - (i) establishing of business corporations, participation in their foundation and other acquisitions of ownership interests in business of other legal entities,*
 - (ii) exercising of shareholder's and similar rights within directly or indirectly controlled companies,*
 - (iii) renting of real estate and provision of basic services for due functioning of real estate.*

3.

Acting on behalf of the Company

- 3.1 *The Company's Board of Directors acts on behalf of the Company in all matters, provided that the Board of Directors shall always act through two of its members together while one of them shall be the chairman or the vice-chairman of the Board of Directors. Signing on behalf of the Company shall be performed in such way that the members of the Board of Directors authorized to act on behalf of the Company attach their signatures to the business name of the Company.*

II.

Registered capital and shares of the Company

4.

Registered capital of the Company

- 4.1 *Registered capital of the Company is CZK 18,133,476,400 (in words: eighteen billion one hundred and thirty three million four hundred and seventy six thousand four hundred Czech crowns).*

5.

Shares of the Company

- 5.1 *The registered capital of the Company is divided into 181.334.764 (in words: one hundred and eighty one million three hundred and thirty four thousand seven hundred and sixty four) common shares, each having the same nominal value of CZK 100. All Company's shares are bearer shares.*
- 5.2 *The shares have been issued as book-entered shares and have been admitted to trading on a regulated market.*

6.

Rights and obligations of shareholders

- 6.1 *The shareholder is entitled to participate, pursuant to the law and the Articles of Association of the Company, in the management and profits thereof and in the liquidation balance if the Company is wound up with liquidation.*
- 6.2 *The shareholder is entitled to attend the General Meeting and vote there. The shareholder is entitled to request and receive from the Company at the General Meeting explanation to matters pertaining to the Company or the persons controlled by it if such explanation is necessary in order to consider the contents of the matters included in the agenda of the General Meeting or to exercise his/her/its shareholder rights at the General Meeting. The explanation of the matters pertaining to the current General Meeting shall be provided to the shareholder by the Company directly at the General Meeting. If this is not possible due to the complexity of the explanation the Company shall provide it to the shareholders within 15 days of the date of the General Meeting, even if it is no longer necessary in order to consider the contents of the matters included in the agenda of the General Meeting or to exercise the shareholder rights at the General Meeting. The information included in the explanation must be unambiguous and must provide adequate and true picture of the facts asked about. The explanation may be provided in the form of an aggregate answer to multiple questions with similar content. A shareholder shall be deemed to have received the explanation also when the information was published on the Company's website no later than the day preceding the date of the General Meeting and is available to the shareholders at the place of the General Meeting. The Board of Directors or the person convening the General Meeting may refuse to provide the explanation or any part thereof if (i) the provision of the explanation may cause harm to the Company or persons controlled by the Company; (ii) it involves inside information or classified information pursuant to applicable legal regulation, or (iii) the requested explanation is publicly available. Fulfillment of the conditions for refusal to provide explanation shall be assessed by the Board of Directors which shall communicate the reasons to the shareholder. The communication of the refusal to provide explanation shall be included in the minutes from the General Meeting. In the case of a refusal to provide explanation, the shareholder may proceed according to Section 360 (2) and (3) of the Act on Corporations.*
- 6.3 *The shareholder is entitled to make proposals and counterproposals on the matters included in the agenda of the General Meeting. If a shareholder intends to make a counterproposal on the matters included in the agenda of the General Meeting he/she/it shall deliver it to the Company within a reasonable time period prior to the date of the General Meeting; this shall not apply if it concerns proposals of certain persons for membership in the Company's bodies. Details shall be governed by Sections 361 through 364 of the Act on Corporations.*
- 6.4 *The rights of qualified shareholders are regulated in Sections 365 through 374 of the Act on Corporations.*
- 6.5 *The shareholder is entitled to the share in the Company's profits, which have been approved by the General Meeting to be distributed among the shareholders. This share in profits shall be determined according to the shareholder's share in the registered capital. The decisive date for exercising the right to the share in profits shall be the decisive date for participation at the General Meeting, which decided on the payment of the share in profits. The Company shall pay the share in profits, at its own cost and risk, in the manner determined by the General Meeting.; details of manner of payment of the share in profits determined by the General meeting shall be set forth by the Board of Directors in accordance with generally binding legal regulations.*

- 6.6 *Upon winding-up of the Company with liquidation, every shareholder is entitled to a share in the liquidation balance. The entitlement to the share in the liquidation balance arises as of the date of cancellation of the Company's shares registered in the registry of book-entered shares of central depository based on the liquidator's instruction.*
- 6.7 *In addition to other obligations, the shareholder is obliged to:*
- a) *pay within the set period and in duly manner the issue price of the shares subscribed by him/her/it; and*
 - b) *comply with the Articles of Association of the Company.*

III. Company's organization

7. Structure of the Company

- 7.1 *The Company establishes a dualistic system of its internal structure.*
- 7.2 *The Company's bodies are:*
- a) *the General Meeting*
 - b) *the Board of Directors*
 - c) *the Supervisory Board*
 - d) *the Audit Committee*

IV. General Meeting

8. Status and powers of the General Meeting

- 8.1 *The General Meeting is the supreme body of the Company.*
- 8.2 *The powers of the General Meeting include the following:*
- a) *deciding on amendments of the Articles of Association, unless such change results from an increase in the registered capital by the authorized Board of Directors or such change is made by virtue of other legal facts;*
 - b) *deciding on changes of the amount of the registered capital and authorization of the Board of Directors to increase the registered capital;*
 - c) *deciding on the possibility of a set-off of a monetary receivable from the Company against a receivable to pay an issue price;*
 - d) *deciding on increase in the registered capital by non-monetary contributions;*
 - e) *deciding on issuance of convertible or priority bonds;*

- f) *deciding on exclusion or restriction of shareholders' pre-emptive right to obtain convertible or priority bonds or to subscribe for new shares of the company in relation to increase of Company's registered capital;*
- g) *deciding on change in form or class of shares and on change of rights assigned with a certain class of shares, decision on consolidation of shares;*
- h) *deciding on acquisition of own shares by the Company, where such decision is required by applicable laws;*
- i) *electing and recalling of members of the Supervisory Board;*
- j) *approving of annual, extraordinary or consolidated financial statements and, in cases stipulated by law, also interim financial statements;*
- k) *deciding on distribution of profits or other own resources or settlement of losses;*
- l) *deciding on filing of an application for admission of Company's participating securities to trading on a European regulated market or withdrawal of such securities from trading on a European regulated market;*
- m) *deciding on winding up of the Company with liquidation;*
- n) *deciding on appointing and recalling of the liquidator;*
- o) *approving of a proposal on liquidation balance distribution;*
- p) *approving of a transfer or a pledge of enterprise or such part thereof, which would substantially change the current structure of the enterprise or which would substantially change the scope of business of the Company;*
- q) *deciding on undertaking of consequences of acts made on behalf of the Company prior its incorporation;*
- r) *approving of an agreement on silent partnership, including amending and cancelling thereof;*
- s) *deciding on a merger, division, transfer of assets to a shareholder, conversion of legal form, or cross-border moving of the registered office;*
- t) *appointing and recalling of members of the Audit Committee;*
- u) *approving of an agreement on performance of the office of a member of the Supervisory Board and the Audit Committee, including remuneration of members of the Supervisory Board and the Audit Committee and rules of providing discretionary benefits to members of the Supervisory Board and the Audit Committee;*
- v) *deciding on auditor for auditing financial statements of the Company and consolidated financial statements of the Company, as well as, for verifying other documents, if such verification is required by applicable laws;*
- w) *approving of the rules of procedure of the General Meeting, as well as, adopting of organizational measures concerning the course of the General Meeting;*
- x) *decision on acquisition of assets by the Company from its founders or shareholders pursuant to Section 255 of Act on Corporations;*
- y) *other decisions delegated to the powers of the General Meeting by this Articles of Association or by law.*

8.3 *The Company shall bear costs related to organization of the General Meeting; shareholders shall not be entitled to compensation of costs of their attendance at the General Meeting.*

9.

Presence at the General Meeting

9.1 *Each shareholder of the Company may attend the General Meeting personally or through a representative. If a shareholder represents another person regarding certain shares, he is entitled to exercise voting rights attached to such shares in a different way.*

- 9.2 *The power of attorney for representing at the General Meeting shall be in writing and shall include whether it has been granted for representing at one or more General Meetings. It is deemed that a person registered in the records of investment securities as a trustee or as a person authorized to perform the rights attached to the shares, is authorized to perform on behalf of a shareholder all rights attached to the shares registered on a particular account, including the right to vote at the General Meeting. The power of attorney form shall be available to shareholders of the Company from a moment of publication of an invitation to the General Meeting in the registered office of the Company and on the web pages of the Company. Each shareholder may notify the Company by electronic means of a granted power of attorney for his representing at the General Meeting, as well as, of recalling of a power of attorney by the principal. The notification may be performed by delivery of an e-mail message by the shareholder to the e-mail address valna.hromada@unipetrol.cz or general.meeting@unipetrol.cz with the attachment of the readable electronic copy (scan or photo picture via digital camera) of (a) a written power of attorney of the shareholder signed by the shareholder and saved in pdf, jpg or xps form, or (b) a written recall of a power of attorney signed by the shareholder and saved in pdf, jpg or xps form. In case that the e-mail message or its attachment containing the power of attorney or its recall is not readable, the Company shall request the shareholder to deliver a flawless written power of attorney or its recall again by electronic means provided that such request shall be sent by the Company to the e-mail address of the shareholder, from which the e-mail message with the defected power of attorney or its recall has been sent. In case that the written power of attorney or its recall is not readable, such power of attorney or its recall shall not be regarded as duly granted or recalled. Further potential details on notifying the Company of granting of power of attorney or its recall by electronic means may be specified in the invitation to the General Meeting pursuant to applicable law. The notification on granting of the power of attorney shall not affect the obligation of the shareholder or his representative to identify himself at the General Meeting by documents specified in the provision 9.3 hereof, except for the power of attorney.*
- 9.3 *The shareholder – an individual shall identify himself by a valid identity document. The shareholder – legal entity represented at the General Meeting by its statutory body or its member(s) or representative under power of attorney is further obliged to submit an shareholder – legal entity excerpt from the commercial register no older than three (3) months before the date of holding of the General Meeting. Shareholder’s representative is obliged to prove his identity by a written power of attorney containing the extent of the representative’s authority unless the granting of the power of attorney was notified to the Company by electronic means pursuant to section 9.2 hereof. In case of a power of attorney granted by the shareholder to a representative - legal entity, the representative is further obliged to submit an excerpt from the commercial register of such entity (proxy) no older than three (3) months before the date of holding of the General Meeting. The affected persons are obliged to hand over to the Company the powers of attorney and excerpts from the commercial register pursuant to this provision 9.3 hereof. The authorization of persons registered in the records of investment securities as a trustee or as a person authorized to exercise rights attached to shares kept at a particular account shall be proved by the excerpt from the records of investment securities which shall be arranged by the Company for purposes of the holding of the General Meeting.*
- 9.4 *Members of the Board of Directors, members of the Supervisory Board and members of the Audit Committee shall attend the General Meeting. The General Meeting may be also attended by auditors and notaries in cases required by applicable law, persons proposed by the Board of Directors into bodies of the General Meeting, persons proposed into bodies of the company, legal advisors of the company and other persons specified by the Board of*

Directors. Other persons may attend the General Meeting only subject to the consent of General Meeting; the General Meeting shall not be attended by the public.

- 9.5 *The decisive day for attendance at the General Meeting of the Company is always the seventh (7.) calendar day preceding the day of the General Meeting.*

10. Convening of the General Meeting

- 10.1 *The General Meeting shall be convened by publishing of an invitation to the General Meeting on Company's web site www.unipetrol.cz, web site www.patria.cz and in the Commercial Gazette. Publishing of the invitation to the General Meeting in the Commercial Gazette substitutes sending of an invitation to the shareholder's address pursuant to the provision 406 (1) of the Act on Corporations.*
- 10.2 *If the General Meeting is convened by the Board of Directors, the convocation and the proposed agenda shall be notified to the Supervisory Board, and the Board of Directors shall supplement the agenda in accordance with requests of the Supervisory Board, which shall be submitted in a time in order to keep time limits for convocation of the General Meeting in accordance with applicable law. If the General Meeting is convened by the Supervisory Board, the convocation and the proposed agenda shall be notified to the Board of Directors. The Supervisory Board shall supplement the agenda in accordance with requests of the Board of Directors which shall be submitted in a time in order to keep time limits for convocation of the General Meeting in accordance with applicable law. Together with the invitation to the General Meeting, however, not later than within the period for convocation of the General Meeting pursuant to applicable law, the convenor of the General Meeting shall submit to the other body also written materials on individual items of the agenda of the General Meeting proposed by the convenor.*
- 10.3 *The organization of the General Meeting shall be arranged by the Board of Directors. If the Board of Directors is not elected or is inactive for a long period, the organization of the General Meeting shall be arranged by its convenor.*

11. Acting and decision-making of the General Meeting

- 11.1 *The General Meeting may adopt decisions provided that the General Meeting is attended by shareholders owning shares with the nominal value representing more than a half (1/2) of the registered capital of the Company.*
- 11.2 *If the General Meeting is not able to adopt decisions after a lapse of one (1) hour from its scheduled commencement, the Board of Directors shall, if it is necessary, convene in accordance with applicable law a substitute General Meeting with the same agenda.*
- 11.3 *One (1) vote is attached to each share of nominal value of one hundred Czech crowns (CZK 100). Total number of votes at the Company is 181,334,764.*
- 11.4 *A voting shall be carried out by ballot papers, unless the General Meeting decides otherwise.*

- 11.5 *A voting shall be carried out upon an instruction of the chairman of the General Meeting. At first a proposal of a convenor of the General Meeting shall be voted on. If such proposal is not approved, then counterproposals in the order of their submission shall be voted on.*
- 11.6 *A decision of the General Meeting shall be adopted by the majority of votes of attending shareholders, unless these Articles of Association or applicable law stipulate different majority.*
- 11.7 *The qualified majority of two thirds (2/3) of votes of attending shareholders is required for adoption of a decision of the General Meeting:*
- a) on approving of a transfer or a pledge of enterprise or such part thereof, which would substantially change the current structure of the enterprise or which would substantially change the scope of business of the Company,*
 - b) on amendments of the Articles of Association,*
 - c) by virtue of which the Articles of Association are changed,*
 - d) on authorization of the Board of Directors to increase the registered capital,*
 - e) on the possibility of a set-off of a monetary receivable from the Company against a receivable to pay an issue price,*
 - f) on issuance of convertible or priority bonds, and*
 - g) on winding up of the Company with liquidation and on distribution of liquidation balance.*
- 11.8 *Apart from qualified or, if applicable, simple majority of votes of attending shareholders also a majority of at least two thirds (2/3) of votes of attending shareholders of each class of shares whose rights are affected by such decision is required for a decision of the General Meeting on:*
- a) approving of a transfer or a pledge of enterprise or such part thereof, which would substantially change the current structure of the enterprise or which would substantially change the scope of business of the Company, and*
 - b) change of the amount of registered capital.*
- 11.9 *Apart from qualified or, if applicable, simple majority of votes of attending shareholders also a majority of at least three quarters (3/4) of votes of attending shareholders having such shares is required for a decision of the General Meeting on:*
- a) change of class or form of shares,*
 - b) change of rights attached to certain class of shares,*
 - c) restriction on transferability of registered shares or book-entered shares, and*
 - d) withdrawal of participating securities from trading on a European regulated market.*
- 11.10 *A majority of at least three quarters (3/4) of votes of attending shareholders is required for a decision of the General Meeting on:*
- a) exclusion or restriction of pre-emptive rights to obtain priority or convertible bonds,*
 - b) possibility to distribute profits to other persons than shareholders pursuant to the provision 34 (1) of the Act on Corporations,*
 - c) exclusion or restriction of pre-emptive rights of shareholder in case of increasing of the registered capital by subscription of new shares, and*
 - d) increase of the registered capital by non-monetary contributions.*

If the Company issued different classes of shares, a majority of at least three quarters (3/4) of votes of attending shareholders of each class of shares is required for a decision. This shall not apply if such decision would not affect owners of such classes of shares.

11.11 *A decision on consolidation of shares shall also require consent of all shareholders whose shares should be consolidated.*

V. Board of Directors

12. Status and powers of the Board of Directors

12.1 *The Board of Directors is Company's statutory body.*

12.2 *The Board of Directors shall decide on all matters of the Company, except for matters entrusted by applicable law or by these Articles of Association to powers of other bodies of the Company.*

12.3 *The Board of Directors is responsible particularly for:*

- a) business management;*
- b) furnishing of a due bookkeeping;*
- c) convening Company's General Meetings;*
- d) furnishing preparation of annual, extraordinary, consolidated or, if applicable, interim financial statements including proposal for distribution of profits or settlement of losses and submitting them for a review by the Supervisory Board and for an approval by the General Meeting;*
- e) preparing report on business activities of the Company and on state of its property and other reports required by applicable laws;*
- f) carrying out resolutions of the General Meeting.*

12.4 *The Board of Directors shall ask the Supervisory Board of the Company for its prior consent to the following acts:*

- a) encumbrance, disposal or renting of Company's property if the book value of such property exceeds under one agreement or, if applicable, several related agreements the amount of CZK 200,000,000;*
- b) issuance of bonds, if their issuance does not require the consent of the General Meeting;*
- c) provision of a loan or other financial indebtedness by the Company to other person or reception of a loan or other financial indebtedness by the Company from other person, if such loan or indebtedness exceeds in each individual case the amount of CZK 300,000,000;*
- d) realization of investment with financial costs under one agreement or, if applicable, under several related agreements exceeding the amount of CZK 300,000,000;*
- e) provision of an indemnification, guarantee or other security for undertakings of third parties; this shall not apply to a case when the Company provides an*

- indemnification, guarantee or other security for undertakings of persons controlled by the Company, unless the value of such undertakings, indemnifications, guarantees or other security exceeds the amount of CZK 150,000,000;
- f) provision of sponsoring and donations exceeding in each particular case the amount of CZK 1,000,000;
- g) establishment or dissolution of a foreign organizational unit of the Company;
- h) (1) adoption, conclusion and changes of a founding legal act, including articles of association and an agreement on establishment of corporation, foundation, association, interest association or other legal entity (including entities with registered offices outside the Czech Republic), or (2) conclusion and changes of an agreement on acquisition, pledging or disposal of ownership interests in other legal entities, including legal acts or agreements on contributions in corporation, foundation or other legal entity (including entities with registered offices outside the Czech Republic);
- i) exercising voting rights at general meetings of corporations which are directly controlled by the Company, i.e., in such corporations in which the Company holds directly an ownership interest amounting to at least fifty per cent (50%) in their registered capital and which according to their most recent annual financial statements or consolidated annual financial statements (if such corporations prepare consolidated annual financial statements) attained a turnover of at least CZK 15,000,000 (in words: fifteen million Czech crowns) ("Directly Controlled Corporations"), in the following matters:
- deciding on election, appointment and recall of members of statutory and supervisory bodies of Directly Controlled Corporations; this shall not apply in case of Directly Controlled Corporations in which the Company as a shareholder or a member holds an ownership interest amounting to at least fifty per cent (50%) in their registered capital and where the Company concluded with other shareholders or members of such Directly Controlled Corporation a shareholders' or similar agreement provided that the proposal for election, appointment or recall was submitted by another shareholder or member of such Directly Controlled Corporation in accordance with such shareholders' or similar agreement; if it is necessary to recall a member of a statutory body of a Directly Controlled Corporation without undue delay, the consent of the Supervisory Board may be granted subsequently,
 - deciding on transformations of Directly Controlled Corporations,
 - deciding on amendments of articles of association or a founding legal act of a Directly Controlled Corporation,
 - deciding on distribution of net profits on the basis of the non-consolidated annual financial statements of a Directly Controlled Corporation,
 - deciding on winding up of a Directly Controlled Corporation, and
 - deciding on transfer, lease or pledge of enterprise of a Directly Controlled Corporation or such part thereof, which would substantially change the current structure of the enterprise or the scope of business or activity of a Directly Controlled Corporation.
- j) setting the Company's strategy and setting the Company's long-term business plan, annual business plan and mid-term business plan, including resources and means for their securing and mechanisms for controlling of their performance;
- k) adopting and amending of the rules of procedure of the Board of Directors;
- l) documents submitted by the Board of Directors to the General Meeting, and

- m) *proposals of the Board of Directors for increasing of the registered capital by a decision of the Board of Directors pursuant to section 511 et seq. of the Act on Corporations;*
- n) *conclusion of employment relationship with the Chief Executive Officer of the Company and recalling him from this function.*

13.

Board of Directors composition and terms of office

- 13.1 *The Board of Directors shall have seven (7) members, which shall be elected and recalled by the Supervisory Board.*
- 13.2 *The term of office of each member of the Board of Directors shall be three (3) years. Member of the Board of Directors may be re-elected.*
- 13.3 *The Board of Directors shall elect a chairman and two (2) vice-chairmen from its members. Each of the vice-chairmen individually shall fully substitute the chairman in performance of his office.*
- 13.4 *A member of the Board of Directors shall not:*
 - a) *carry out a business activity within a scope of business of the Company, (even in favour of other persons) or intermediate business with the Company for a third person,*
 - b) *be a member of statutory body or a person in a similar position in other legal entity, unless such entity is a member of the same holding group,*
 - c) *participate in a business activity of other corporation as a member with unlimited liability or as a person controlling other person with the same or similar scope of business.*
- 13.5 *A member of the Board of Directors shall notify in writing to the Supervisory Board any event under Section 13.4 of these Articles of Association, if such an event occurs in the course of his/her performance of the position of the member of the Board of Directors. In such case the Supervisory Board shall proceed in line with Section 442 of the Act on Business Corporations.*

14.

Decision-making of the Board of Directors

- 14.1 *In case of decision-making of the Board of Directors on its meeting, the Board of Directors may adopt decisions if there are present more than a half (1/2) of all members of the Board of Directors. Decision shall be adopted by the simple majority of votes of all members, unless applicable law requires a qualified majority. Each member of the Board of Directors shall have one (1) vote.*
- 14.2 *If all elected or appointed members of the Board of Directors agree so, the meetings of the Board of Directors may take place via communication means, i.e., via videoconference or teleconference:*
 - (a) *A consent of the member of the Board of Directors to holding of the particular meeting of the Board of Directors via communication means may be provided either*

verbally at the preceding meeting of the Board of Directors, or any time before the holding of the respective meeting in writing or through an e-mail sent from a company e-mail address assigned to the member of the Board of Directors, at latest, however, at the very beginning of the respective meeting in verbal form (which includes also the videoconference or teleconference communication).

- (b) The member of the Board of Directors attending the meeting via communication means shall introduce himself/herself and other members present at the meeting shall confirm his/her identity by clearly stating his full name; rules of procedure of Board of Directors may allow for other suitable manner of verification of identity of the members of the Board of Directors. Such verification of the identity shall be recorded in the minutes of the meeting.*
- (c) Members of the Board of Directors attending the meeting via communication means are deemed to be present at the meeting and shall be recorded in the attendance list attached to the minutes of the meeting. In case of interruption of connection in the course of the meeting the respective member of the Board of Directors affected by such interruption shall be deemed not to be present from the moment of interruption of connection until the moment of eventual re-connection to the meeting via communication means. The occurrence of the interruption of connection must be recorded in the minutes of the meeting.*
- (d) The meetings of the Board of Directors held via communication means may be attended only by members of the Board of Directors and persons invited to such meeting of the Board of Directors. Persons attending the meeting of the Board of Directors via communication means must be mutually audible.*
- (e) On the meeting of the Board of Directors held via communication means, any voting shall be performed in the way that the Chairman asks step by step all individual members of the Board of Directors on their voting on a particular resolution and the members of the Board of Directors expressly state whether they vote for, against, or abstain; rules of procedure of Board of Directors may allow for other suitable manner of voting on the meeting of the Board of Directors held via communication means. At the meeting of the Board of Directors held via communication means a secret voting may not be performed.*
- (f) Other conditions for holding of the meeting of the Board of Directors by communication means may be stipulated in the rules of procedure of the Board of Directors.*
- (g) The provision 14.1 hereof shall be used accordingly.*

14.3 The Board of Directors may adopt a decision outside of the meeting of the Board of Directors through a voting in writing or through a voting by communication means (particularly through e-mail, teleconference or videoconference). Other conditions of per rollam voting may be stipulated in the rules of procedure of the Board of Directors. The provision 14.1 hereof shall be used accordingly.

14.4 If a meeting of the Board of Directors takes place, the per rollam voting may be applied to members of the Board of Directors not attending the meeting.

- 14.5 *Details on decision-making of the Board of Directors may be stipulated in the rules of procedure of the Board of Directors. The rules of procedure of the Board of Directors and amendments thereof shall be adopted by the Board of Directors with prior consent of the Supervisory Board.*

VI. Supervisory Board

15. Status and powers of the Supervisory Board

- 15.1 *The Supervisory Board is Company's controlling body, which supervises performance of powers by the Board of Directors and functioning of the Company.*
- 15.2 *The Supervisory Board is responsible particularly for:*
- a) *reviewing of performance of powers by the Board of Directors, particularly reviewing of fulfillment of tasks assigned to the Board of Directors by the General Meeting, observing of the Articles of Association and applicable law within Company's activities, reviewing of Company's business activity, state of assets, receivables, obligations and proper and verifiable accounting. The Supervisory Board shall submit results, conclusions and recommendations of its controlling activity to the General Meeting;*
 - b) *reviewing of annual, extraordinary, consolidated or, if applicable, interim financial statements and proposal for distribution of profits or settlement of losses and submitting of its standpoints to the General Meeting;*
 - c) *discussing of all proposals of the Board of Directors submitted to the General Meeting and potentially submitting of its standpoints on the respective matters to the General Meeting;*
 - d) *asking the Board of Directors for insertion of an item into the agenda of General Meeting;*
 - e) *electing and recalling of members of the Board of Directors;*
 - f) *approving of agreements on performance of the office with individual members of the Board of Directors;*
 - g) *approving of managerial agreements or other agreements regarding wages and other benefits provided by the Company to individual members of the Board of Directors or their close persons;*
 - h) *setting a subject-matter, content and deadline for submission by the Board of Directors of annual financial plans, long term financial plans and plans of Company's development strategy;*
 - i) *exercising other powers which are entrusted to the Supervisory Board by applicable law or by these Articles of Association.*
- 15.3 *The Supervisory Board is authorised to grant its prior consent to:*
- a) *acting and acts of the Board of Directors pursuant to the provision 12.4 hereof; and*
 - b) *benefits to be provided by the Company to a member of the Board of Directors which are not granted by law or approved agreement on performance of an office, any agreement pursuant to the provision 15.2 g) hereof or by internal regulation approved by the Supervisory Board;*

- 15.4 *Each member of the Supervisory Board is entitled to nominate a member of the Board of Directors or propose recalling of a member of the Board of Directors. A voting on election or recalling of a member of the Board of Directors shall be carried out by a secret voting of the Supervisory Board; Per rollam voting shall not be possible in this case.*

16.

Supervisory Board composition and terms of office

- 16.1 *The Supervisory Board shall have nine (9) members, which shall be elected and recalled by the General Meeting.*
- 16.2 *The term of office of each member of the Supervisory Board shall be three (3) years. Member of the Supervisory Board may be re-elected.*
- 16.3 *Unless the number of members of the Supervisory Board decreased bellow one half, the Supervisory Board may appoint substitute members till the next General Meeting.*
- 16.4 *The Supervisory Board shall elect a chairman and two (2) vice-chairmen from its members. Each of the vice-chairmen individually shall fully substitute the chairman in performance of his office.*
- 16.5 *A member of the Supervisory Board shall not:*
- a) *carry out a business activity within a scope of business of the Company, (even in favour of other persons) or intermediate business with the Company for a third person,*
 - b) *be a member of statutory body or a person in a similar position in other legal entity with the same or similar scope of business, unless such entity is a member of the same holding group,*
 - c) *participate in a business activity of other corporation as a member with unlimited liability or as a person controlling other person with the same or similar scope of business.*
- 16.6 *The Supervisory Board may, on the basis of its decision, establish committees of the Supervisory Board to support realization of Company's strategic goals through submitting of standpoints and recommendations to the Supervisory Board. Only members of the Supervisory Board shall be members of the Committees of the Supervisory Board. A decision of the Supervisory Board on establishment of a particular committee shall stipulate committee's composition and powers in a way that the powers of other Company's bodies would not be affected. Details on meetings of a committee of the Supervisory Board and its powers shall be stipulated in rules of procedure of a committee of the Supervisory Board, which shall be approved by the Supervisory Board.*

17.

Decision-making of the Supervisory Board

- 17.1 *In case of decision-making of the Supervisory Board on its meeting, the Supervisory Board may adopt decisions if there are present more than half of all members of the Supervisory Board. Decision shall be adopted by the simple majority of votes of all members, unless*

applicable law requires qualified majority. Each Supervisory Board member shall have one (1) vote.

17.2 *If a simple majority of all elected or appointed members of the Supervisory Board agree so, the meetings of the Supervisory Board may take place via communication means, i.e., via videoconference or teleconference:*

- (a) *A consent of the member of the Supervisory Board to holding of the particular meeting of the Supervisory Board via communication means may be provided either verbally at the preceding meeting of the Supervisory Board, or any time before the holding of the respective meeting in writing or through an e-mail sent from a company e-mail address assigned to the member of the Supervisory Board, at latest, however, at the very beginning of the respective meeting in verbal form (which includes also the videoconference or teleconference communication).*
- (b) *The member of the Supervisory Board attending the meeting via communication means shall introduce himself/herself and shall confirm his/her identity by clearly stating his full name; rules of procedure of Supervisory Board may allow for other suitable manner of verification of identity of the members of the Supervisory Board. Such verification of the identity shall be recorded in the minutes of the meeting.*
- (c) *Members of the Supervisory Board attending the meeting via communication means are deemed to be present at the meeting and shall be recorded in the attendance list attached to the minutes of the meeting. In case of interruption of connection in the course of the meeting the respective member of the Supervisory Board affected by such interruption shall be deemed not to be present from the moment of interruption of connection until the moment of eventual re-connection to the meeting via communication means. The occurrence of the interruption of connection must be recorded in the minutes of the meeting.*
- (d) *The meetings of the Supervisory Board held via communication means may be attended only by members of the Supervisory Board and persons invited to such meeting of the Supervisory Board. Persons attending the meeting of the Supervisory Board via communication means must be mutually audible.*
- (e) *On the meeting of the Supervisory Board held via communication means, any voting shall be performed in the way that the Chairman asks step by step all individual members of the Supervisory Board on their voting on a particular resolution and the members of the Supervisory Board expressly state whether they vote for, against, or abstain; rules of procedure of Supervisory Board may allow for other suitable manner of voting on the meeting of the Supervisory Board held via communication means. At the meeting of the Supervisory Board held via communication means a secret voting may not be performed.*
- (f) *Other conditions for holding of the meeting of the Supervisory Board by communication means may be stipulated in the rules of procedure of the Supervisory Board.*
- (g) *The provision 17.1 hereof shall be used accordingly.*

17.3 *The Supervisory Board may adopt a decision outside of the meeting of the Supervisory Board through a written voting or through a voting by communication means (particularly through*

e-mail, teleconference or videoconference). Other conditions of per rollam voting may be stipulated in the rules of procedure of the Supervisory Board. The provision 17.1 hereof shall be used accordingly.

17.4 *If a meeting of the Supervisory Board takes place, the per rollam voting may be applied to members of the Supervisory Board not attending the meeting.*

17.5 *Details on Supervisory Board's acting and performance of controlling activity shall be stipulated in the rules of procedure of the Supervisory Board. The rules of procedure of the Supervisory Board and its amendments shall be approved by the Supervisory Board.*

VII. **Audit Committee**

18. **Status and powers of the Audit Committee**

18.1 *The Audit Committee is Company's body, which, without affecting liability of members of the Board of Directors or the Supervisory Board, performs particularly the following:*

- a) *supervises a procedure of preparation of financial statements and consolidated financial statements;*
- b) *evaluates an efficiency of inner controlling within the Company, inner audit and, if applicable, risk management system;*
- c) *supervises a process of obligatory audit of financial statements and consolidated financial statements;*
- d) *evaluates independence of statutory auditor and auditing company, in particular provision of auxiliary services to the Company;*
- e) *recommends an auditor for verification of financial statements and consolidated financial statements;*
- f) *comments on a proposal of change of director of internal audit.*

18.2 *Members of the Audit Committee shall attend the General Meeting and shall inform the General Meeting on results of its activity.*

19. **Audit Committee composition and terms of office**

19.1 *The Audit Committee shall have four (4) members, which shall be appointed from members of the Supervisory Board or third persons. Members of the Audit Committee shall be appointed and recalled by the General Meeting. Members of the Audit Committee shall not perform an office of a member of the Board of Directors or a procurator. At least one (1) member of the Audit Committee shall be independent of the Company and shall have at least three years of practical experience in the field of accounting or obligatory audit.*

19.2 *The term of office of each member of the Audit Committee shall be three (3) years. Member of the Audit Committee may be re-elected.*

- 19.3 *The Audit Committee shall elect a chairman and a vice-chairman from its members. The vice-chairman shall fully substitute the chairman in performance of his office.*
- 19.4 *Unless the number of members of the Audit Committee decreased below one half, the Supervisory Board may appoint substitute members of the Audit Committee till the next General Meeting. Only a substitute member of the Audit Committee independent of the Company may be appointed to a vacant position of member of the Audit Committee independent of the Company.*

20.

Decision-making of the Audit Committee

- 20.1 *In case of decision-making of the Audit Committee on its meeting, the Audit Committee may adopt decisions if there are present more than half of all members of the Audit Committee. Decision shall be adopted by the simple majority of votes of all members, unless applicable law requires qualified majority. Each member of the Audit Committee shall have one (1) vote. In the case of equal votes the vote of the chairman shall be decisive.*
- 20.2 *If all elected or appointed members of the Audit Committee agree so, the meetings of the Audit Committee may take place via communication means, i.e., via videoconference or teleconference:*
- (a) *A consent of the member of the Audit Committee to holding of the particular meeting of the Audit Committee via communication means may be provided either verbally at the preceding meeting of the Audit Committee, or any time before the holding of the respective meeting in writing or through an e-mail sent from a company e-mail address assigned to the member of the Audit Committee, at latest, however, at the very beginning of the respective meeting in the oral form (which includes also the videoconference or teleconference communication).*
 - (b) *The member of the Audit Committee attending the meeting via communication means shall introduce himself/herself and shall confirm his/her identity by clearly stating his full name; rules of procedure of Audit Committee may allow for other suitable manner of verification of identity of the members of the Audit Committee. Such verification of the identity shall be recorded in the minutes of the meeting.*
 - (c) *Members of the Audit Committee attending the meeting via communication means are deemed to be present at the meeting and shall be recorded in the attendance list attached to the minutes of the meeting. In case of interruption of connection in the course of the meeting the respective member of the Audit Committee affected by such interruption shall be deemed not to be present from the moment of interruption of connection until the moment of eventual re-connection to the meeting via communication means. The occurrence of the interruption of connection must be recorded in the minutes of the meeting.*
 - (d) *The meetings of the Audit Committee held via communication means may be attended only by members of the Audit Committee and persons invited to such meeting of the Audit Committee. Persons attending the meeting of the Audit Committee via communication means must be mutually audible.*

- (e) *On the meeting of the Audit Committee held via communication means, any voting shall be performed in the way that the Chairman asks step by step all individual members of the Audit Committee on their voting on a particular resolution and the members of the Audit Committee expressly state whether they vote for, against, or abstain; rules of procedure of Audit Committee may allow for other suitable manner of voting on the meeting of the Audit Committee held via communication means. At the meeting of the Audit Committee held via communication means a secret voting on any of the proposed resolutions may not be performed.*
 - (f) *Other conditions for holding of the meeting of the Audit Committee by communication means may be stipulated in the rules of procedure of the Audit Committee .*
 - (e) *The provision 20.1 hereof shall be used accordingly.*
- 20.3 *The Audit Committee may adopt a decision outside of the meeting of the Audit Committee through a voting in writing or through a voting by communication means (particularly through e-mail, teleconference or videoconference). Other conditions of per rollam voting may be stipulated in the rules of procedure of the Audit Committee . The provision 20.1 hereof shall be used accordingly.*
- 20.4 *If a meeting of the Audit Committee takes place, the per rollam voting may be applied to members of the Audit Committee not attending the meeting.*
- 20.5 *Details on Audit Committee's acting and performance of controlling activity shall be stipulated in the rules of procedure of the Audit Committee, which shall be approved by the Audit Committee.*

VIII. **Other provisions**

21.

Distribution of profits, settlement of losses and creating of funds

- 21.1 *Profits may, in accordance with a decision of the General Meeting, be used particularly for: a distribution among shareholders, an increase of the registered capital from Company's own resources, voluntary contributions to reserve or other funds of the Company (provided that such funds were created), a determination of royalties of members of the Board of Directors and the Supervisory Board of the Company, royalties of Company's employees and other purposes allowed by law, or potentially a settlement of losses or a transfer to a retained profits account. The previous sentence hereof shall be used similarly on a decision of the General Meeting on method of distribution of retained profits from previous periods.*
- 21.2 *The Company's duty to create and supplement the reserve fund as such duty was regulated in Section 217 of the Act No. 513/1991 Coll., the Commercial Code, valid as of 31 December 2013, is hereby cancelled. The right to decide on disposing of the reserve fund in the extent in which it was created as of 26 May 2014 is vested within the powers of the Board of Directors; this shall not affect the right of the General Meeting to decide on the distribution of this reserve fund among the shareholders*

- 21.3 *The Board of Directors may decide on establishment of reserve or other funds of the Company and disposing with them.*
- 21.3 *Company's losses may, in accordance with a decision of the General Meeting, be covered from retained profits from previous periods, share premium, reserve or other funds (provided that such funds were created), by a decrease of the registered capital, or potentially by a settlement of losses from results of future business activity by their transferring to account of losses from previous periods.*

22.

Submission under Commercial Corporations Act

- 22.1 *By adoption of these Articles of Association the Company submits itself under the regime of the Act No. 90/2012 Coll., the Commercial Corporations Act (the "Act on Corporations") as a whole.*
- 22.2 *Rights and obligations not expressly regulated by these Articles of Association shall be governed by the applicable law.*
- 22.3 *These Articles of Association were adopted on [to be inserted].*

Justification:

The Board of Directors, pursuant to Section 777 (2) of the Act on Business Corporations, submits a proposal on approval of the Articles of Association of UNIPETROL, a.s., which adjust the Articles of Association to provisions of Act on Business Corporations. By adoption of these Articles of Association, UNIPETROL, a.s. submits itself under the regime of the Act on Business Corporations as a whole.